

**HEALTH SERVICES AND DEVELOPMENT AGENCY MEETING
SEPTEMBER 25, 2013
APPLICATION SUMMARY**

NAME OF PROJECT: Community Hospices of America-Tennessee, LLC
d/b/a Hospice Compassus-The Highland Rim

PROJECT NUMBER: CN1306-020

ADDRESS: 1805 N. Jackson Street, Suites 5 and 6
Tullahoma (Coffee County), Tennessee 37388

LEGAL OWNER: Community Hospices of America-Tennessee, LLC
12 Cadillac Drive
Brentwood (Williamson County), TN 37027

OPERATING ENTITY: Not Applicable

CONTACT PERSON: Kim H. Looney
(615) 850-8722

DATE FILED: June 10, 2013

PROJECT COST: \$63,000

FINANCING: Cash Reserves

PURPOSE OF REVIEW: Expansion of an existing hospice twelve (12) county
service area by adding five (5) counties, for a total
seventeen (17) county service area

DESCRIPTION:

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim is seeking approval to initiate and expand hospice services to Decatur, Hardin, Humphreys, Perry and Wayne Counties. The current service area of the applicant is Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore Counties.

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**STANDARDS AND CRITERIA APPLICABLE TO BOTH RESIDENTIAL
AND HOSPICE SERVICES APPLICATIONS**

- I. Adequate Staffing: An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area.

The applicant currently staffs a twelve county hospice service area adjacent to the proposed five county service area. Additional staff will be added as hospice utilization increases. The applicant currently complies with the general guidelines and qualifications of the National Hospice and Palliative Care Organization.

It appears this criterion has been met.

2. Community Linkage Plan: The applicant shall provide a community linkage plan that demonstrates factors such as, but not limited to, relationships with appropriate health care system providers/services, and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians in support of an application shall detail specific instances of unmet need for hospice services.

The applicant intends to establish working relationships to over twenty (20) providers that includes hospitals, nursing homes and community-based providers in the proposed service area.

At the time this summary was written, letters of support had been received from physicians from Lawrence and Humphreys Counties. The two letters address the need of hospice palliative and pediatric care in Humphreys County and the need of additional hospice services for veterans in Lawrence County.

It appears this criterion has been met.

3. Proposed Charges: The applicant shall list its benefit level charges, which shall be reasonable in comparison with those of other similar facilities in the Service Area or in adjoining service areas.

The charges of the applicant are similar to the other twelve hospice providers

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operating in the proposed service area. A table representing the charges of all hospice providers in the proposed service area is located on page 14 of the original application.

It appears this criterion has been met.

4. Access: The applicant must demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 0720-11-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area.

The applicant will serve all residents equally in the proposed service area. Perinatal and pediatric hospice services as well as palliative hospice services will be offered. The applicant indicates these services are currently unavailable in the proposed service area.

It appears this criterion has been met.

5. Indigent Care. The applicant should include a plan for its care of indigent patients in the Service Area, including:
 - a. Demonstrating a plan to work with community-based organizations in the Service Area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services.
 - b. Details about how the applicant plans to provide this outreach.
 - c. Details about how the applicant plans to fundraise in order to provide indigent and/or charity care.

Indigent Outreach and educations efforts will be conducted to various groups in the proposed counties.

The applicant did not provide details regarding fundraising in order to provide indigent and/or charity care.

Funding for indigent care is built into Hospice Compassus' care plan and budget. The Projected Data Chart of the applicant reflects the following:

- *Charity care at approximately 2.1% of total gross revenue in Year One and Year Two equaling to \$3,703 and \$5,847, respectively.*

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- Charity Care calculates to .41 cases per year in Year One increasing to .64 cases per year in Year Two.
- According to Hospice Compassus' 2012 Provisional Joint Annual Report, \$172,625, or 2.3% of charity care was provided of \$7,398,041 Total Net Revenue

The applicant did not specially address the details of fundraising for indigent care and/or charity care. It appears this criterion has not been met.

6. **Quality Control and Monitoring:** The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system. Additionally, the applicant should provide documentation that it is, or intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for hospice services from the Centers for Medicare and Medicaid Services (CMS) or CMS licensing survey.

Data is reported through Medicare's National Quality Review (NQR). The applicant is currently working toward accreditation by The Joint Commission.

It appears this criterion has been met.

7. **Data Requirements:** Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The applicant agrees to provide all required information and data as listed above.

It appears this criterion has been met.

8. **Education.** The applicant should provide details of its plan in the Service Area to educate physicians, other health care providers, hospital discharge planners, public health nursing agencies, and others in the community about the need for timely referral of hospice patients.

The applicant indicated it would meet with the above identified providers. Details of the frequency, duration, content or specific plan

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was not mentioned.

It appears this criterion has not been met.

9. Need Formula. The need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

A / B = Hospice Penetration Rate Where:

A = the mean annual number of Hospice unduplicated patients served in a county for the preceding two calendar years as reported by the Tennessee Department of Health; and

B = the mean annual number of Deaths in a county for the preceding two calendar years as reported by the Tennessee Department of Health.

Note that the Tennessee Department of Health Joint Annual Report of Hospice defines "unduplicated patients served" as "number of patients receiving services on day one of reporting period plus number of admissions during the reporting period."

Need shall be established in a county (thus, enabling an applicant to include it in the proposed Service Area) if its Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

The following formula to determine the demand for additional hospice service recipients shall be applied to each county, and the results should be aggregated for the proposed service area:

(80% of the Statewide Median Hospice Penetration Rate – County Hospice Penetration Rate) x B

Hospice Need Formula Table

County	2010 Patient serviced	2011 Patients served	Mean (A)		2010 Deaths	2011 Deaths	Mean (B)	County Hospice Penetration Rate (C)	Statewide Penetration Median Rate (D)	Demand for Additional Service (E)
Decatur	51	45	48		152	141	146.5	.3276		4.67
Hardin	73	96	84.5		282	297	289.5	.2919		19.58
Humphreys	42	62	52		178	218	198	.2626		19.18
Perry	22	21	21.5		71	93	82	.2662		7.98
Wayne	57	69	63		152	151	151.5	.4158		-8.53
									.4494	42.88

Source: 2010-2011 Joint Annual Report

The hospice need formula applied to the proposed service area is as follows:

- *A (Mean of patient served)/B (Mean of 2010 and 2011 Deaths)= (C) County Penetration Rate*
- *.80% x (D) the Statewide Penetration Rate - (C) County Hospice Penetrations Rate x (B) the Mean Deaths for 2010 and 2012= (E) Demand for Additional Services*
- *There is a need of 42.88 hospice recipients in the proposed service area with Wayne County reflecting a surplus of 8.53 patients. Decatur, Hardin, Humphreys and Perry Counties all demonstrate a net need.*

It appears this criterion is partially met since there is not a need for an additional 120 additional hospice service recipients in the proposed service area, although the Hospice Penetration Rate is less than 80% of the Statewide Median Hospice in four of the five counties in the proposed service area.

Staff Summary

The following information is a summary of the original application and all supplemental responses. Any staff comments or notes, if applicable, will be in bold italics.

Hospice Compassus offers general hospice services, perinatal and pediatric hospice services, and palliative care services.

The proposed five county hospice expansion is adjacent and west of the existing licensed twelve county service area of Hospice Compassus. The main office of Hospice Compassus is located at 1805 N. Jackson Street, Suite 5 and 6, Tullahoma (Coffee County), TN. A branch office of Hospice Compassus is located in Lawrenceburg (Lawrence County), Tennessee. The applicant plans to service the proposed five (5) county expansion with the two existing offices. In the future, a new branch office may be opened in the Perry and Hickman County area.

The applicant has also applied for the addition of Lincoln County in Community Hospice of America-Tennessee, LLC d/b/a Hospice Compassus-the Highland Rim, CN1307-023 which will be heard at the October 23, 2013 Agency meeting. Lincoln County is centrally located in Hospice Compassus' current twelve (12) county existing service area. Please refer to the service area map in the application that notes Hospice Compassus' existing service area, proposed service area and county associated with pending application (CN1307-023).

An overview of the project is provided in Attachment B-1 of the original application.

The applicant seeks to open in November 1, 2013

Ownership

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim is wholly-owned by Community Hospices of America-Tennessee, LLC. Community Hospice of America-Tennessee, LLC is an active member managed Tennessee registered Limited Liability Company that was formed in December 2005.

Facility Information

- The applicant's main office located at 1805 North Jackson Street, Tullahoma (Coffee County), TN consists of 4,800 SF. A floor plan drawing is included in Attachment B.IV. – Floor Plan.
- The office lease is for a term of 5 years beginning February 1, 2013 and terminating January 31, 2018. The monthly rent is \$5,200.

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Service Area Demographics

Hospice Compassus-The Highland Rim's declared service area is Decatur, Hardin, Humphreys, Perry and Wayne counties.

- The total population of the service area is estimated at 81,087 residents in calendar year (CY) 2013 increasing by approximately 0.60% to 81,575 residents in CY 2017.
- The overall statewide population is projected to grow by 3.7% from 2013 to 2017.
- The 65 and older population will increase from 19.6% of the general population in 2013 to 21% in 2017. The statewide 65 and older population will increase from 14.5% in 2013 of the general population to 15.8% in 2017.
- The latest 2013 percentage of the proposed service area population enrolled in the TennCare program is approximately 20.9%, as compared to the statewide enrollment proportion of 18.4%.

Source: The University of Tennessee Center for Business and Economic Research Population Projection Data Files, Reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment, Office of Health Statistics.

Service Area Historical Utilization

The trend of hospice patients served in the proposed expanded service area counties is presented in the table below:

County	#Agencies Licensed to Serve (2012)	#Agencies that Served (2012)	2010 Hospice Patients	2011 Hospice Patients	2012 Hospice Patients	'10-'12 % Change
Decatur	7	5	51	45	43	-15.7%
Hardin	8	8	73	96	106	45.2%
Humphreys	7	5	42	62	82	95.2%
Perry	5	3	22	21	23	4.6%
Wayne	6	3	57	69	60	5.3%
Total	*12	*9	245	293	314	28.2%

Source: 2010-2012 Hospice Joint Annual Report and DOH Licensure Applicable Listings

**Unduplicated Count*

- The chart above demonstrates there has been an increase of 28.2% in hospice patients served in the proposed five county service area between 2010 and 2012.

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Four of the five counties demonstrated increases in hospice patients served. Hospice patient utilization has steadily increased between 2010 and 2012.

The chart on the following page reveals the following information:

- Baptist Memorial Home Care and Hospice, Caris Healthcare, and Henry County Medical Center Hospice are licensed to serve in the proposed five (5) county service area but did not provide hospice care in 2012.
- Of the twelve agencies, Tennessee Quality Hospice served 39% of the total service area patients in 2012 and was the only provider to serve all their licensed counties.

2012 HOSPICE UTILIZATION BY COUNTY PATIENTS

Agency/Home County	<i>Decatur County Patients</i>	<i>Hardin County Patients</i>	<i>Humphrey County Patients</i>	<i>Perry County Patients</i>	<i>Wayne County Patients</i>	<i>Total</i>
Aseracare Hospice McKenzie (Carroll)	2	10	2	0	0	14
Baptist Memorial Home Care & Hospice (Carroll)	0	0	0	0	0	0
Avalon Hospice (Trinity Hospice of Tennessee) (Davidson)	1	1	12	0	0	14
Caris Healthcare (Davidson)	0	1	27	1	1	30
Caris Healthcare (Gibson)	0	0	0	0	0	0
Henry County Medical Center Hospice (Henry)	0	0	0	0	0	0
Hospice of West Tennessee (Madison)	10	0	0	0	0	10
Tennessee Quality Hospice (Madison)	21	27	35	4	35	122
Mercy Hospice, Inc (McNairy)	0	23	0	0	0	23
Magnolia Regional Health Center Home Health (outside the State of TN))	0	4	0	0	0	4
Unity Hospice Care of Tennessee (Perry)	9	35	6	18	0	68
Volunteer Hospice (Wayne)	0	5	0	0	24	29
Total County	43	106	82	23	60	314

Source: 2012 Joint Annual Report

Hospice Market Share of Service Area/Agency

2012 Hospice Agency Service Market Share and Patient Origin

Agency/County	Agency Patients	%	Total Patients	% Dependence
	From Service Area	Market Share	Served	on 5-County Service Area
Aseracare Hospice McKenzie	14	4.46%	921	1.52%
Baptist Memorial Home Care &	0	0.00%	60	0.00%
Avalon Hospice (Trinity Hospice)	14	4.46%	1001	1.40%
Caris Healthcare	30	9.55%	830	3.61%
Caris Healthcare	0	0.00%	236	0.00%
Henry County Medical Center	0	0.00%	159	0.00%
Hospice of West Tennessee	10	3.18%	739	1.35%
Tennessee Quality Hospice	122	38.85%	447	27.29%
Mercy Hospice, Inc.	23	7.32%	74	31.08%
Magnolia Regional Health Center	4	1.27%	95	4.21%
Unity Hospice Care of Tennessee	68	21.66%	124	54.84%
Volunteer Hospice	29	9.24%	73	39.73%
TOTAL COUNTY	314	100.0%	4,759	6.6%

Source: 2012 Joint Annual Report

The chart above reveals the following market share information:

- Even though there are twelve hospice agencies that are licensed in at least one of the service area counties, only two agencies had market share in excess of 10%: Unity Hospice of Tennessee (21.66%) and Tennessee Quality Hospice (38.85%). These two agencies accounted for over 60% of the market share.
- Of the twelve licensed hospice agencies four agencies were more than 25% dependent on service area counties.

Project Cost

Major costs are:

- Legal, Administrative, Consultant Fees- \$25,000, or 39.7% of cost
- *Budget for Office Opening- \$35,000, or 55.5% of the total cost
- CON Filing Fee- \$3,000 or 4.7% of total cost
- For other details on Project Cost, see the Project Cost Chart on page 15 of the application

**If approved, the applicant plans to add to a new branch office in the Perry and Hickman County area.*

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Project Utilization

Nineteen (19) patients with an average daily census (ADC) of 3.5 patients is projected in Year One of the proposed project increasing to thirty (30) patients with an ADC of 5.6 patients in Year Two. The average projected length of stay of 68 days is based on the applicant's current experience in the existing twelve (12) county hospice service area.

Historical Data Chart

- According to the Historical Data Chart Hospice Compassus experienced profitable net operating results for the three most recent years reported: \$522,246 for 2010; \$1,140,439 for 2011; and \$1,566,847 for 2012.
- Average annual Net Operating Income (NOI) was favorable at approximately 22.5% of annual net operating revenue for the year 2012.

Projected Data Chart

The Projected Data Chart reflects \$172,578.00 in total gross revenue on 19 cases during the first year of operation and \$272,492 on 30 cases in Year Two (approximately \$9,083 per case). The Projected Data Chart reflects the following:

- Net operating income less capital expenditures for the applicant will equal \$14,180 in Year One decreasing to (\$19,014) in Year Two.
- The applicant projects a loss in Year Two of \$19,014 for the establishment of a third branch office for the proposed project in the area of Hickman and Perry counties
- Net operating revenue after bad debt, charity care, and contractual adjustments is expected to reach \$265,794 or approximately 97.5% of total gross revenue in Year Two.
- Charity care at approximately 2.1% of total gross revenue in Year One and Year Two equaling to \$3,703 and \$5,847, respectively.
- Charity Care calculates to .41 cases per year in Year One increasing to .64 cases per year in Year Two.

Charges

In Year One of the proposed project, the average charge per case is as follows:

- The proposed average gross charge is \$9,083/case
- The average deduction is \$223/case, producing an average net charge of \$8,860/case.

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Medicare/TennCare Payor Mix

- TennCare- Charges will equal \$23,567 in Year One representing 14% of total gross revenue
- Medicare- Charges will equal \$132,817 in Year One representing 78.9% of total gross revenue

Financing

A May 13, 2013 letter from Tony James, Chief Financial Officer of CLP Healthcare Services, Inc. confirms the applicant has sufficient cash reserves to finance the proposed project.

An April 25, 2013 letter from Regions Bank attests Community Hospices of America, Inc. had a cash balance of \$8,166,020 on December 31, 2012.

The applicant's unaudited financial statements for the period ending December 31, 2012 indicates \$6,942,663 in cash and cash equivalents, total current assets of \$28,556,247, total current liabilities of \$21,618,474 and a current ratio of 1.32:1.

Current ratio is a measure of liquidity and is the ratio of current assets to current liabilities which measures the ability of an entity to cover its current liabilities with its existing current assets. A ratio of 1:1 would be required to have the minimum amount of assets needed to cover current liabilities.

Staffing

The applicant's proposed direct patient care staffing in Year One includes the following:

- .30 FTE Registered Nurse and
- .30 FTE Home Health Aides and
- .25 FTE Social Workers

Licensure/Accreditation

Hospice Compassus is licensed by the Tennessee Department of Health, Division of Health Care Facilities. A letter dated April 23, 2010 from the Tennessee Department of Health, Office of Health Licensure and Regulation, states Hospice Compassus was in compliance in all areas as a result of recertification survey completed on April 12-14, 2010.

Corporate documentation, real estate lease, and detailed demographic information are on file at the Agency office and will be available at the Agency meeting.

Should the Agency vote to approve this project, the CON would expire in **two** years.

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CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT

There are no other Letters of Intent, denied applications, or outstanding Certificates of Need for this applicant.

Pending Applications

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-the Highland Rim, CN1307-023, has a pending application which will be heard at the October 23, 2013 Agency meeting. The application is for the addition of Lincoln County to the service area of Hospice Compassus which is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore counties. Estimated project cost is \$28,000.

CERTIFICATE OF NEED INFORMATION FOR OTHER SERVICE AREA FACILITIES:

There are no other Letters of Intent, denied or pending applications, or outstanding Certificates of Need for other health care organizations in the service area proposing this type of service.

PLEASE REFER TO THE REPORT BY THE DEPARTMENT OF HEALTH, DIVISION OF HEALTH STATISTICS, FOR A DETAILED ANALYSIS OF THE STATUTORY CRITERIA OF NEED, ECONOMIC FEASIBILITY, AND CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE IN THE AREA FOR THIS PROJECT. THAT REPORT IS ATTACHED TO THIS SUMMARY IMMEDIATELY FOLLOWING THE COLOR DIVIDER PAGE.

PME
9/9/2013

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LETTER OF INTENT



LETTER OF INTENT TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the

News Leader (Decatur); Savannah Courier
(Hardin); The News Democrat (Humphreys); Buffalo River Review
(Perry); and Wayne County News (Wayne)
(Name of Newspaper)

of general circulation in Decatur; Hardin, Humphreys, Perry and Wayne counties, Tennessee, on or before June 10, 20 13
(County) (Month/Day) (Year)
for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Hospice Compassus-The Highland Rim, Hospice
(Name of Applicant) (Facility Type-Existing)

owned by: Community Hospices of America-Tennessee, LLC with an ownership type of limited liability company

and to be managed by: itself intends to file an application for a Certificate of Need

for [PROJECT DESCRIPTION BEGINS HERE]: To initiate services in Decatur, Hardin, Humphreys, Perry and Wayne Counties,

Tennessee. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties, and has applied for a Certificate of Need in Lincoln County. The cost of this project is approximately \$75,000. Hospice Compassus-The Rim's home office is located at 1805 N. Jackson St., Suites 5 & 6, Tullahoma, TN 37388.

The anticipated date of filing the application is: June 10, 20 13

The contact person for this project is Kim Harvey Looney Attorney
(Contact Name) (Title)

who may be reached at: Waller Lansden Dortch & Davis LLP 511 Union Street, Suite 2700
(Company Name) (Address)

Nashville TN 37219 615 850-8722
(City) (State) (Zip Code) (Area Code) (Phone Number)

Kim H. Looney 6/5/2013 Kim.Looney@wallerlaw.com
(Signature) (Date) (Email-Address)

The Letter of Intent must be filed in triplicate and received between the first and the tenth day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency
The Frost Building, Third Floor
161 Rosa L. Parks Boulevard
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

HF51 (revised 01/09/2013 – all forms prior to this date are obsolete.)

COPY-

Application

Hospice

Compassus-The

Highland Rim

CN1306-020

1. **Name of Facility, Agency, or Institution**

2013 JUN 10 PM 3: 52

Community Hospices of America - Tennessee, LLC d/b/a Hospice Compassus - The Highland Rim

Name

1805 N. Jackson Street, Suites 5 and 6

Street or Route

Tullahoma

City

Tennessee

State

Coffee

County

37388

Zip Code

2. **Contact Person Available for Responses to Questions**

Kim H. Looney

Name

Attorney

Title

Waller Lansden Dortch & Davis, LLP

Company Name

kim.looney@wallerlaw.com

Email address

Suite 2700, 511 Union Street

Street or Route

Nashville Tennessee 37219

City State Zip Code

Attorney

Association with Owner

615-850-8722

Phone Number

615-244-6804

Fax Number

3. **Owner of the Facility, Agency or Institution**

Community Hospices of America - Tennessee, LLC

Name

615-425-5406

Phone Number

12 Cadillac Drive, Suite 360

Street or Route

Williamson

County

Brentwood

City

Tennessee

State

37027

Zip Code

4. **Type of Ownership of Control (Check One)**

A. Sole Proprietorship ☐

B. Partnership ☐

C. Limited Partnership ☐

D. Corporation (For Profit) ☐

E. Corporation (Not-for-Profit) ☐

F. Government (State of TN or Political Subdivision) ☐

G. Joint Venture ☐

H. Limited Liability Company ☒

I. Other (Specify) ☐

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

Response: Please see organizational documents included as Attachment A-4.

5. **Name of Management/Operating Entity (If Applicable)**

N/A

Name

2013 JUN 10 PM 3: 52

Street or Route

County

City

State

Zip Code

**PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

6. **Legal Interest in the Site of the Institution (Check One)**

A. Ownership

B. Option to Purchase

C. Lease of Five (5) Years

x

D. Option to Lease

E. Other (Specify)

**PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

Response: Please see Lease for the applicant's home office included as Attachment A-6.

7. **Type of Institution (Check as appropriate--more than one response may apply)**

A. Hospital (Specify)

B. Ambulatory Surgical Treatment
Center (ASTC), Multi-Specialty

C. ASTC, Single Specialty

D. Home Health Agency

E. Hospice

F. Mental Health Hospital

G. Mental Health Residential
Treatment Facility

H. Mental Retardation Institutional
Habilitation Facility (ICF/MR)

I. Nursing Home

J. Outpatient Diagnostic Center

K. Recuperation Center

L. Rehabilitation Facility

M. Residential Hospice

N. Non-Residential Methadone
Facility

O. Birthing Center

P. Other Outpatient Facility
(Specify)

Q. Other (Specify)

8. **Purpose of Review (Check) as appropriate--more than one response may apply)**

A. New Institution

B. Replacement/Existing Facility

C. Modification/Existing Facility

D. Initiation of Health Care
Service as defined in
TCA § 68-11-1607(4)

E. (Specify) Hospice

F. Discontinuance of OB Services

G. Acquisition of Equipment

H. Change in Bed Complement

[Please note the type of change
by underlining the appropriate
response: Increase, Decrease,
Designation, Distribution,
Conversion, Relocation]

I. Change of Location

J. Other (Specify)

9. **Bed Complement Data**

Please indicate current and proposed distribution and certification of facility beds.

Response: N/A

	Current Beds Licensed	*CON	TOTAL Staffed Beds	Beds Proposed	Beds at Completion
A. Medical					
B. Surgical					
C. Long-Term Care Hospital					
D. Obstetrical					
E. ICU/CCU					
F. Neonatal					
G. Pediatric					
H. Adult Psychiatric					
I. Geriatric Psychiatric					
J. Child/Adolescent Psychiatric					
K. Rehabilitation					
L. Nursing Facility (non-Medicaid Certified)					
M. Nursing Facility Level 1 (Medicaid only)					
N. Nursing Facility Level 2 (Medicare only)					
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)					
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child and Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL					
*CON-Beds approved but not yet in service					

10. Medicare Provider Number 441570
Certification Type Hospice

11. Medicaid Provider Number 0441570
Certification Type Hospice

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid? N/A

13. *Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area. Will this project involve the treatment of TennCare participants? Yes. If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted or plans to contract.*

Discuss any out-of-network relationships in place with MCOs/BHOs in the area.

Response: The applicant contracts with all of the Medicaid HMOs in the area:

AmeriChoice, UnitedHealthcare Community Plan, and VPHN. It also contracts with several commercial plans, including, but not limited to, BlueCross BlueShield, Cigna, Aetna, and United Healthcare.

NOTE: Section B is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. Section C addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.

SECTION B: PROJECT DESCRIPTION

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

- I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

Response: Please see Executive Summary included as Attachment B-I.

- II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

- A. Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

Response: The applicant seeks approval to expand its service area to deliver hospice services to residents of Decatur, Hardin, Humphreys, Perry and Wayne Counties. Hospice Compassus is currently licensed and provides services in the Tennessee counties of Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore counties, and has applied for Certificate of Need authority to provide services in Lincoln County. Hospice Compassus' existing service area is immediately adjacent to the proposed service area.

In addition to providing general hospice services, Hospice Compassus provides perinatal and pediatric hospice services, and offers a palliative care program.

- B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

Response: Not applicable.

C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

1. Adult Psychiatric Services
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
3. Birthing Center
4. Burn Units
5. Cardiac Catheterization Services
6. Child and Adolescent Psychiatric Services
7. Extracorporeal Lithotripsy
8. Home Health Services
9. **Hospice Services**
10. Residential Hospice
11. ICF/MR Services
12. Long-term Care Services
13. Magnetic Resonance Imaging (MRI)
14. Mental Health Residential Treatment
15. Neonatal Intensive Care Unit
16. Non-Residential Methadone Treatment Centers
17. Open Heart Surgery
18. Positron Emission Tomography
19. Radiation Therapy/Linear Accelerator
20. Rehabilitation Services
21. Swing Beds

Response: The applicant seeks to expand its service area to deliver hospice services to residents of Decatur, Hardin, Humphreys, Perry and Wayne Counties. Hospice Compassus currently provides hospice services to Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore, and has applied to provide services in Lincoln County. The proposed service area is immediately adjacent to the applicant's existing service area. The new need formula approved by Governor Haslam on May 23, 2013, identifies a need for additional hospice services in Decatur, Hardin, Humphreys and Perry counties. The applicant already has an established infrastructure in the area and provides services to several immediately adjacent counties, so it could expand its service area to include Decatur, Hardin, Humphreys, Perry and Wayne counties (the "Proposed Counties") counties with relatively little expense or administrative burden. Obtaining a Certificate of Need to operate in the Proposed Counties would allow Hospice Compassus to begin providing both general and specialized hospice services to residents of these Proposed Counties, thereby satisfying the current unmet need for such services and providing residents of these counties with access to specialized, high quality hospice care, and making a logical expansion of its existing service area. Although the new need formula does not identify a need for additional services in Wayne County, given its proximity to the rest of the service area, it does not make sense from an operational standpoint to leave it out. The applicant will have to drive through Wayne County to get to some of the Proposed Counties. Additionally, the hospice penetration rate in Wayne County does not significantly exceed the 80% threshold set forth in the new need calculation formula, discussed further below. Wayne County exceeds this threshold by approximately 16%, whereas Hamilton County exceeds the threshold by 153% and Davidson County exceeds the threshold by 137%. Thus, there is not an overabundance of hospice services in Wayne County.

In addition to providing general hospice services, Hospice Compassus offers perinatal and pediatric hospice services, as well as palliative care services. These specialized services are particularly important because, to the best of the applicant's knowledge, they are currently unavailable to residents of the proposed service area. Should this application be approved, the applicant would be able to fill a need for services that is not currently being met.

- D. Describe the need to change location or replace an existing facility.

Response: Not applicable.

- E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

1. For fixed-site major medical equipment (not replacing existing equipment):

- a. Describe the new equipment, including:

1. Total cost ;(As defined by Agency Rule).
2. Expected useful life;
3. List of clinical applications to be provided; and
4. Documentation of FDA approval.

Response: Not applicable.

- b. Provide current and proposed schedules of operations.

Response: Not applicable.

2. For mobile major medical equipment:

- a. List all sites that will be served;
- b. Provide current and/or proposed schedule of operations;
- c. Provide the lease or contract cost.
- d. Provide the fair market value of the equipment; and
- e. List the owner for the equipment.

Response: Not applicable.

3. Indicate applicant's legal interest in equipment (i.e., purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Response: Not applicable.

- III. (A) Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which **must** include:

1. Size of site (*in acres*);

2. Location of structure on the site; and
3. Location of the proposed construction.
4. Names of streets, roads or highway that cross or border the site.

Please note that the drawings do not need to be drawn to scale. Plot plans are required for all projects.

Response: Please see attached copy of the plot plan of the applicant's home office included as Attachment B.III(A). The applicant's home office is located on a 3.5 acre site.

- (B) 1. Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Response: Not applicable. For the provision of hospice services, the applicant will treat patients in their homes so patients will not be required to travel in order to receive services. Although, the applicant may open a new branch office in the vicinity of Perry and Hickman counties, the purpose of which would be to support the proposed service area, it is possible for it to meet the needs of area residents with its existing offices. Additionally, The applicant's main office is located at 1805 N. Jackson Street, Suites 5 and 6, Tullahoma, Tennessee 37388. The applicant recently opened a branch office in Lawrenceburg, Tennessee. All of these offices could support the provision of services to residents of the proposed service area.

- IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

NOTE: DO NOT SUBMIT BLUEPRINTS. Simple line drawings should be submitted and need not be drawn to scale.

Response: Please see attached floor plans included as Attachment B.IV. The document labeled "Emergency Exit Map" represents the floor plan of the applicant's main administrative office located at 1805 N. Jackson Street, Suites 5 and 6, Tullahoma, Tennessee 37388. The second document represents the floor plan of the applicant's office space for clinical staff and document storage located at Suites 9 and 10 of the same address.

- V. For a Home Health Agency or Hospice, identify:

1. Existing service area by County;

Response: Hospice Compassus currently provides services in the following Tennessee counties: Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore, and has a pending application to provide services in Lincoln County.

2. Proposed service area by County;

Response: Decatur, Hardin, Humphreys, Perry and Wayne counties

3. A parent or primary service provider;

Response: Hospice Compassus is owned by Community Hospices of America - Tennessee, LLC, located at 12 Cadillac Drive, Suite 360, Brentwood, Tennessee 37207.

4. Existing branches; and

Response: Hospice Compassus' main administrative office is located at 1850 N. Jackson St., Suites 5 and 6, Tullahoma, Tennessee 37388. Hospice Compassus has a branch office located at 1412 Trotwood Ave., Suite 5, Columbia, Tennessee 38401, and has recently opened a second branch office in Lawrence County at 726 N. Locust Ave. 2nd Floor, Suite B, Lawrenceburg, Tennessee 38464.

5. Proposed branches.

Response: If the applicant's request to provide hospice services in the proposed service area is granted, it may open a third branch office in the vicinity of Perry and Hickman counties to support the proposed service area. The opening of a branch office is not subject to CON review.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tennessee Code Annotated §68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. Please type each question and its response on an 8 1/2" x 11" white paper. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

QUESTIONS **NEED**

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.
- a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

Response: Following are the specific criteria for the initiation of hospice services, which have recently been revised and are expected to be approved by the Governor shortly.

Need:

Standards and Criteria Applicable to Both Residential and Hospice Services Applications

1. **Adequate Staffing:** An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area. In this regard, an applicant should demonstrate its willingness to comply with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization

Response: The applicant is already operating in the counties immediately adjacent to the proposed service area, so its infrastructure, including administrative services and staffing, is already in place and operational. The applicant recently opened a new branch office in Lawrenceburg, Tennessee that will provide support for the proposed service area if this application is approved. Additionally, the applicant may establish a new branch office in the vicinity of Perry and Hickman counties to enhance its provision of services in the service area.

The applicant proposes to provide the following staff at the outset of its provision of services to the proposed service area, and will increase its nursing staff as the number of patients served increases. The applicant's current staffing model calls for fourteen (14) patients per one (1) registered nurse (RN). The applicant projects that it will receive nineteen (19) referrals for hospice care in the proposed service area in its first year of operation there, resulting in an average daily census of 3.5 patients. Pursuant to the applicant's staffing model, this results in a need for 0.30 FTE registered nurses to treat those patients. The applicant is also planning on staffing 0.30 FTE home health aides and 0.25 FTE social workers to provide services to residents of the proposed service area during its first year of operation there. The applicant will add additional staff as the utilization of hospice services in the service area increases.

The applicant currently complies with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization and will continue to do so if the Proposed Counties are added.

2. **Community Linkage Plan:** The applicant shall provide a community linkage plan that demonstrates factors such as, but not limited to, relationships with appropriate health care system providers/services, and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians in support of an application shall detail specific instances of unmet need for hospice services.

Response: The applicant currently has contractual and/or working relationships with the following providers: St. Jude Children's Research Hospital, Vanderbilt University Medical Center, Vanderbilt Children's Hospital, Baptist Medical Center, Centennial Medical Center, Maury Regional Hospital, St. Thomas Hospital, Willowbrook Hospice, Hillside Hospital, Crockett Hospital, Hickman Community Hospital, Elk Valley Home Health, United Healthcare HMO, Amerigroup HMO, BlueCross BlueShield, United Healthcare, Aetna, Cigna, Healthspring HMO, Huntsville Hospital, and local Veterans Administration clinics.

The applicant plans to establish working relationships with numerous providers in the Proposed Counties in order to ensure the availability of the services it provides to residents of the Proposed Counties. It anticipates establishing such relationships with Three Rivers Hospital in Humphreys County, Humphreys County Nursing Home, Wayne Medical Center, Wayne Care Nursing Home, Wayne County Nursing Home, Waynesboro Medical Clinic, Hardin Medical Center, Savannah Medical Center, Complete Care PCs, Life Span, Life Span Kids, Park Rest, Savannah Health & Rehab, Harding Home Nursing Home, Hardin County Nursing Home, Averett Medical Group, Perry Community Hospital, Perry County Nursing Home, Decatur County General Hospital, Westwood Health Care & Rehab, as well as numerous physician providers.

The applicant has had great success with its specialized hospice services throughout its service area, and works closely with a network of providers in order to make both its general and specialized hospice services available to as many patients as possible. For instance, the applicant works closely with Vanderbilt Children's Hospital, St. Jude Children's Research Hospital, Huntsville Hospital, and others, and has developed a network of providers that work together to improve the quality of life of hospice patients and their families by providing them with high quality care while reducing unnecessary travel and providing them with counseling and support throughout a difficult process.

As an example of how the applicant works with other providers to make obtaining quality hospice care as easy as possible for families with children in hospice, the applicant has partnered with Huntsville Hospital in Huntsville, Alabama. Huntsville Hospital is affiliated with St. Jude Children's Research Hospital, making it possible for a St. Jude cancer patient who is receiving hospice services from the applicant who resides closer to Huntsville than Memphis to receive any necessary care at Huntsville Hospital rather than having to travel back to St. Jude. This is just one example of the type of relationships the applicant has developed with other providers that allows them to lessen the burden on patients and their families while providing them with the highest quality of care.

Letters of support for the proposed project will be submitted in a supplemental filing.

3. **Proposed Charges:** The applicant shall list its benefit level charges, which shall be reasonable in comparison with those of other similar facilities in the Service Area or in adjoining service areas.

Response: The applicant reported the following as the Medicare per diem rate for hospice services on its 2012 Joint Annual Report of Hospice: Routine Hospice Care - \$132, Continuous Hospice Care - \$768, General Inpatient - \$593, Respite Inpatient - \$141.

The applicant's charges for hospice services are determined by the Centers for Medicare and Medicaid Services (CMS). Thus, the only changes to the amount charged for the applicant's services will be as a result of changes to such rates by CMS. The applicant does not establish a separate fee schedule per se. Rather, the applicant accepts the CMS reimbursement for its hospice services. Infrequently, the applicant provides services to self-pay patients. In those circumstances, the applicant charges the same rate as the Medicare reimbursement rate. The proposed project will not result in any increase in charges to patients.

The Medicare per diem rates reported by each of the existing licensed providers in the proposed service area are substantially similar to those reported by the applicant, as demonstrated by the following table:

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Name of Agency**	Routine Hospice Care	Continuous Hospice Care	General Inpatient	Respite Inpatient
Hospice Compassus	\$132	\$768	\$593	\$141
Aseracare ¹ Hospice-McKenzie	\$132	\$770	\$593	\$141
Avalon Hospice ¹	\$149	\$869	\$663	\$154
Baptist Memorial Homecare and Hospice ²	\$128	\$748	\$576	\$137
Caris Healthcare, LP-Davidson ⁶	\$149	\$836	\$639	\$150
Caris Healthcare, LP-Gibson ³	\$132	\$770	\$593	\$141
Henry County Medical Center Hospice ⁴	\$128	\$748	\$576	\$137
Hospice of West Tennessee ³	\$132	\$770	\$592	\$140
Magnolia Regional Health Center Home Health & Hospice ⁵	\$130	\$760	\$585	\$139
Mercy Hospice, Inc. ⁵	\$126	\$738	\$568	\$135
Tennessee Quality Hospice ¹	\$132	\$770	\$593	\$141
Unity Hospice Care of Tennessee, LLC ¹	\$132	\$770	\$593	\$141
Volunteer Hospice, Inc. ⁷	\$132	\$770	\$593	\$141

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice 2012.

¹Licensed to provide services in all Proposed Counties.

²Licensed to provide services in Decatur and Humphreys Counties.

³Licensed to provide services in Decatur County only.

⁴Licensed to provide services in Humphreys County only.

⁵Licensed to provide services in Hardin County only.

⁶Licensed to provide services in Hardin, Humphreys, Perry and Wayne Counties only.

⁷Licensed to provide services in Hardin and Wayne Counties only.

*No Joint Annual Report data available for 2012.

**Legacy Hospice of the South is listed by the Tennessee Department of Health as a licensed hospice provider in Hardin County. However, no Joint Annual Report data is available for this provider.

- Access:** The applicant must demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA

Rule 0720-11-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area.

Response: The applicant will serve equally all residents of the proposed service area. The persons served by the applicant will primarily be elderly. The vast majority, almost 92%, of the applicant's current patients are Medicare beneficiaries and the applicant expects to continue to treat this same percentage of Medicare beneficiaries in the Proposed Counties. However, all patients, including women, racial and ethnic minorities, and low-income groups, will be served by the applicant without regard to their ability to pay.

Additionally, the applicant offers perinatal and pediatric hospice services, as well as palliative care hospice services, that, to the best of the applicant's knowledge, no other licensed hospice provider in the proposed service area provides. The applicant's specialized hospice services will be of particular value to residents of the proposed service area because they are currently unavailable.

5. **Indigent Care.** The applicant should include a plan for its care of indigent patients in the Service Area, including:
- a. Demonstrating a plan to work with community-based organizations in the Service Area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services.
 - b. Details about how the applicant plans to provide this outreach.
 - c. Details about how the applicant plans to fundraise in order to provide indigent and/or charity care.

Response: In addition to treating a high volume of Medicare beneficiaries, the applicant provides a substantial amount of indigent care, routinely providing care to indigent patients that may not otherwise have access to hospice services. The applicant generally treats 5-6 indigent patients at any given time, and occasionally provides services to as many as 8-9 indigent patients at one time. The applicant feels strongly about providing quality hospice services to any patient in need, regardless of the patient's ability to pay, as is clear from the applicant's charity care program. In fact, the applicant provides a substantially greater amount of indigent care than most existing providers in the Proposed Counties.

On the applicant's 2012 Joint Annual Report of Hospice, it reported that it provided \$172,625 in charity care that year. This is substantially more than most of the existing providers in the service area according to the charity care data reported on each provider's 2012 Joint Annual Report of Hospice, as illustrated in the charity chart below.

Total Charity Care Provided in 2012

Provider	2012 Total Net Revenue	2012 Charity Care	Charity Care Percentage
<i>Hospice Compassus</i>	\$7,398,041	\$172,625	2.3%
Aseracare Hospice-McKenzie	\$7,167,159	\$64,803	0.9%
Avalon Hospice	\$13,375,670	\$70,037	0.5%
Baptist Memorial Homecare and Hospice	\$373,373	\$0	0%
Caris Healthcare, LP-Davidson	\$13,533,199	\$31,775	0.2%
Caris Healthcare, LP-Gibson	\$2,337,522	\$4,495	0.2%
Henry County Medical Center Hospice	\$967,547	\$2,736	0.3%
Hospice of West Tennessee	\$5,323,397	\$153,110	2.9%
Magnolia Regional Health Center Home Health and Hospice	\$773,623	\$14,105	1.8%
Mercy Hospice, Inc.	\$743,354	\$42,494	5.7%
Tennessee Quality Hospice	\$5,996,185	\$9,750	0.2%
Unity Hospice Care of Tennessee, LLC	1,135,985	\$8,000	0.7%
Volunteer Hospice, Inc.	\$892,681	\$48,312	5.4%

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice 2012.

The applicant will continue its charity care program in the proposed service area if this application is approved, continuing to provide services to all residents of its service area regardless of their ability to pay. The applicant will work with community-based organizations in the service area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services by giving presentations at senior centers, community church groups, health councils, and similar groups and organizations located in the Proposed Counties. Funding for the provision of indigent care is built into Hospice Compassus' care plan and budget. Hospice Compassus also has a not-for-profit affiliated entity from which it can receive funds if necessary and appropriate.

6. **Quality Control and Monitoring:** The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system. Additionally, the applicant should provide documentation that it is, or intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for hospice services from the Centers for Medicare and Medicaid Services (CMS) or CMS licensing survey.

Response: Medicare currently requires hospices to report quality data through the National Quality Review (NQR). Hospice Compassus began reporting quality data through NQR in October 2012. The applicant measures and reports on forty-three (43) different quality measures both internally and externally using its quality reporting system. Each of the quality measures the applicant reports data for meets or exceeds the Medicare requirements.

The applicant is currently working towards becoming accredited by The Joint Commission.

7. **Data Requirements:** Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information

and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

Response: The applicant agrees to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested.

8. **Education.** The applicant should provide details of its plan in the Service Area to educate physicians, other health care providers, hospital discharge planners, public health nursing agencies, and others in the community about the need for timely referral of hospice patients.

Response: Hospice Compassus will meet with local providers, including home health agencies, hospitals and physician groups, to discuss the benefits for both patient and provider associated with hospice care. The benefits of hospice care to patients and their families are well-documented, particularly if the hospice patient is enrolled earlier than the last several days of life.

Providers will also benefit from increased utilization of hospice services. A recent study from Mount Sinai's Icahn School of Medicine, published in the March 2013 edition of *Health Affairs*, found that the utilization of hospice services will assist hospitals in reducing the number of hospital admissions and days, ICU admissions and days, 30 day hospital readmissions, and in-hospital deaths. Thus, the utilization of hospice services will have a significant positive impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions. A copy is included as Attachment C-Need-1-Health Affairs Article.

Hospice Services - Need

A new need formula for hospice services was approved by Governor Haslam as part of the State Health Plan Update on May 23, 2013. The new need formula applies to all new applications, including those in process and not yet deemed complete. The applicant is subject to the new standards.

1. **Need Formula.** The need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

$A / B = \text{Hospice Penetration Rate}$

Where:

A = the mean annual number of Hospice unduplicated patients served in all counties included in a proposed Service Area for the preceding two calendar years as reported by the Tennessee Department of Health;

and

Hospice Agencies that are Licensed to Serve Listed Counties

	Number of Licensed Agencies (2012)	Number of Hospice Agencies that Served (2012)	2010 Hospice Patients	2011 Hospice Patients	2012 Hospice Patients	2010-2012 Percent Changed
Decatur	7	5	51	45	43	-15.69%
Hardin	8	8	73	96	106	45.21%
Humphreys	7	5	42	62	82	95.24%
Perry	5	3	22	21	23	4.55%
Wayne	6	3	57	69	60	5.26%
Service Area Total	12*	9*	245	293	314	28.16%

Source: 2010-2012 Hospice JAR & DOH Licensure Applicable Listings

* Unduplicated count

B = the mean annual number of Deaths in a Service Area for the preceding two calendar years as reported by the Tennessee Department of Health.

Note that the Tennessee Department of Health Joint Annual Report of Hospice defines "unduplicated patients served" as "number of patients receiving services on day one of reporting period plus number of admissions during the reporting period."

Need shall be established if the Hospice Penetration Rate in the proposed Service Area is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

Response: The proposed service area includes Decatur, Hardin, Humphreys, Perry and Wayne counties. According to data from the Tennessee Department of Health, the mean annual number of hospice unduplicated patients in the proposed service area is 269 and the mean annual number of deaths in the proposed service area is 988, as set forth in the tables below.

**Mean Annual Number of Hospice Unduplicated Patients
Served in Proposed Service Area**

County	2010 Patients Served	2011 Patients Served	Mean
Decatur	51	45	48
Hardin	73	96	85
Humphreys	42	62	52
Perry	22	21	22
Wayne	57	69	63
Total	245	293	269

Source: Tennessee Department of Health, Division of Health Planning

**Mean Annual Number of Deaths in
Proposed Service Area**

County	2010 Deaths	2011 Deaths	Mean
Decatur	171	156	164
Hardin	316	341	329
Humphreys	211	240	226
Perry	90	102	96
Wayne	179	169	174
Total	967	1008	988

Source: Tennessee Department of Health, Division of Health Planning

The mean annual number of hospice unduplicated patients in the proposed service area (269) divided by the mean annual number of deaths in the proposed service area (988), yields a Hospice Penetration Rate in the proposed service area of 0.272.

The Tennessee Department of Health has calculated the Statewide Median Hospice Penetration Rate to be 0.389. Eighty percent (80%) of the Statewide Median Hospice Penetration Rate is 0.311.

According to the need calculation formula set forth above, need shall be established if the proposed service area's Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and there is a need for at least 120 additional hospice service recipients in the proposed service area.

The Hospice Penetration Rate in the proposed service area is 0.272, less than 80% of the Statewide Median Hospice Penetration Rate (0.311), thereby satisfying this portion of the need calculation.

Using a spreadsheet provided by the Tennessee Department of Health and included as Attachment C-Need-1-Hospice Need Spreadsheet, the Department has calculated that there is a need for 47 additional hospice service recipients in the Proposed Counties.

Need By County in Proposed Service Area

County	Need
Decatur	3
Hardin	18
Humphreys	18
Perry	8
Wayne	0
Total	47

Source: Tennessee Department of Health, Division of Health Planning

It is our understanding that the new need calculation requires a need for 120 patients because 120 patients is the minimum threshold number of patients for a hospice agency to be financially viable. This requirement for 120 patients does not take into consideration that the applicant is an existing provider that provided hospice services to 639 patients in 2010, 757 patients in 2011, and 775 patients in 2012, well over the 120 patient minimum. Thus, even though the data provided by the Tennessee Department of Health shows a need for only 47 additional hospice service patients in the Proposed Counties, the applicant feels this criteria is met when you consider it in conjunction with the 775 patients treated in 2012.

HOSPICE PATIENTS HOSPICE COMPASSUS 2010-2012

Provider	2010					2011					2012				
	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Hospice Compassus	6	135	126	372	639	9	159	138	451	757	3	178	153	441	775

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice (2010-2012)

Additionally, Hospice Compassus offers perinatal and pediatric hospice services, as well as palliative care hospice services, that, to the best of its knowledge, no other licensed hospice provider in the proposed service area currently offers, making these services of particular value to residents of the Proposed Counties.

The applicant has had great success with its specialized hospice services throughout the

rest of its service area. For instance, it works closely with Vanderbilt Children's Hospital, St. Jude Children's Research Hospital, Huntsville Hospital, and others, and has developed a network of providers that work together to improve the quality of life of hospice patients and their families by providing them with high quality care while reducing unnecessary travel and providing them with counseling and support throughout a difficult process. The Proposed Counties are in close proximity to both St. Jude Children's Research Hospital and Vanderbilt Children's Hospital.

The applicant's perinatal and pediatric hospice services complement each other and, through these services, the applicant is able to provide support and care to families going through devastating circumstances. Through its perinatal program, the applicant will attend physician appointments with an expectant mother whose baby is expected to live only for a short time after birth, or in some cases may have already died during the last trimester of her pregnancy. The applicant provides grief counseling and support to the expectant mother, as well as to the entire family, including siblings. The applicant works with the family to formulate a plan to implement upon the baby's birth that includes both a clinical aspect, i.e. the types of comfort that can be medically provided to the baby, and a personal aspect, i.e. the types of mementos the family would like to have, such as the baby's handprints and footprints. This service provides hospice care in the form of counseling, and comfort to families going through very difficult circumstances. A general hospice program does not provide these specialized services.

The applicant's pediatric program is already servicing patients and, like the applicant's perinatal program, is providing an invaluable service to patients and their families. The applicant's pediatric hospice patients have thus far included children aged three (3) months through nine (9) years of age who suffer from cancer, genetic disorders, and other fatal illnesses. At least two (2) of these pediatric hospice patients were indigent. As an example of how the applicant works with other providers to make obtaining quality hospice care as easy as possible for families with children in hospice, the applicant has partnered with Huntsville Hospital in Huntsville, Alabama. Huntsville Hospital is affiliated with St. Jude Children's Research Hospital, making it possible for a St. Jude cancer patient who is receiving hospice services from the applicant to receive any necessary follow-up care at Huntsville Hospital rather than having to travel back to St. Jude, which is farther from home. If this option were not available, both with the pediatric hospice care and follow-up with Huntsville Hospital, the patient would have to stay at St. Jude, which could severely limit the family involvement. This is just one example of the type of relationships the applicant has developed with other providers that allows them to lessen the burden on patients and their families while providing them with the highest quality of care.

The applicant's palliative care program is of significant value to those residents of the proposed service area who are suffering from chronic illnesses such as congestive heart failure or COPD. Because the life expectancy of these patients is generally greater than six (6) months, they are not yet appropriate candidates for the applicant's hospice program but are still in need of quality care. For this reason, the applicant established its palliative care program through which it sees patients suffering from chronic illness in a consultative model and works with them to treat and manage their symptoms at home. The applicant recently applied for a Medicare Part B palliative care license, a unique certification that sets it apart from most other hospice providers.

The applicant's hospice and palliative care services will also help hospitals reduce the number of hospital admissions and days, ICU admission and days, 30 day hospital

readmissions and in-hospital-deaths, as supported by a study from Mount Sinai's Icahn School of Medicine, published in the March 2013 edition of *Health Affairs*.¹ The initiation of this service is expected to have a significant impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions.

The Hospice Penetration Rate in the proposed service area is 0.272, less than 80% of the Statewide Median Hospice Penetration Rate (0.311), thereby satisfying that portion of the need calculation. As for the second part of the need calculation formula, data provided by the Tennessee Department of Health indicates that there is a need for 47 additional hospice service recipients in the proposed service area. The new need calculation formula does not consider patients already being treated by existing providers. In this case, the applicant treated 775 patients in 2012. When considering this data in conjunction with the demonstrated need for 47 additional hospice service recipients in the proposed service area, the applicant is clearly a financially viable provider able to provide services in the proposed additional counties. Finally, residents of the proposed service area currently do not have access to any comparable specialized hospice services. For these reasons, the applicant seeks approval of its request to provide hospice services in Decatur, Hardin, Humphreys, Perry and Wayne counties.

Tennessee State Health Plan: 5 Principles for Achieving Better Health

The 2011 State Health Plan sets forth the following Principles for Achieving Better Health. The applicant's discussion of how the proposed project relates to each Principle follows each enumerated Principle.

Principle 1: Healthy Lives - The applicant's proposed expansion into the Proposed Counties supports the goals of this Principle by improving the health and quality of life of the residents of these counties in need of palliative or hospice services. The nature of hospice care is to improve the quality of life that the hospice patient has remaining. The nature of hospice palliative care services is to improve patients' quality of life by effectively managing the symptoms of their chronic illnesses. When a patient is in palliative hospice care, an estimated end of life has not been determined.

Principle 2: Access to Care - The applicant's provision of general hospice and specialized hospice and palliative care services in the proposed service area significantly improves the access of residents of these counties to such services. Currently, to the best of the applicant's knowledge, no other hospice provider offers perinatal and pediatric hospice services, or palliative care services in the proposed service area. The applicant's nurses and physicians have been trained and certified to offer these specialized services, and it is the applicant's understanding that no hospice staff for other area agencies has received comparable training. Additionally, these specialized services are of the type that are generally offered only in metropolitan areas throughout the state, so for them to be available to residents of the Proposed Counties, a rural area of the state, is particularly significant.

Principle 3: Economic Efficiencies - There is minimal cost associated with the proposed

¹ Amy S. Kelley, Partha Deb, Qingling Du, Melissa D. Aldridge Carlson & R. Sean Morrison, "Hospice Enrollment Saves Money for Medicare and Improves Care Quality Across a Number of Different Lengths-Of-Stay," *Health Affairs*, Vol. 32 No.3, pp. 552-561 (March 2013).

project because the applicant is fully operational and providing services to counties immediately adjacent to the Proposed Counties. Expansion to the proposed service area will be easily accomplished and is logical from both a provision of services and an operational standpoint. There will be no increase in costs to patients as a result of the expansion. In addition, the applicant provides a significantly higher amount of charity care than most of the existing hospice providers in the proposed service area, giving indigent residents of the proposed service area greater access to care, regardless of their ability to pay.

Principle 4: Quality of Care - The applicant will provide residents of the proposed service area in need of general or specialized hospice services, or palliative care services, with a high quality of care regardless of their ability to pay.

In addition, a continuum of care which includes utilization of hospice services by hospitals in and around the proposed service area who are treating patients from the proposed service area generally reduces overall health care costs because hospital lengths of stay are shorter and readmission rates are reduced. Hospital stays are more expensive than hospice services. Because hospitals will no longer receive reimbursement for certain readmissions, the addition of such services to the service area promotes the orderly development of health care and the basic principles of health care reform. The applicant's services will also provide comfort and convenience to hospice patients who will be able to receive services at home rather than in a more restrictive and more expensive hospital setting.

Principle 5: Health Care Workforce - Three (3) out of four (4) of the applicant's physicians have received certification for the provision of hospice and palliative care services through the American Academy of Hospice and Palliative Medicine, a certification the applicant believes is not held by employees of any other hospice provider in the proposed service area. In addition, all of the applicant's registered nurses have received End-of-Life Nursing Education Consortium (ELNEC) training and certification. ELNEC is a national education initiative to improve palliative care that focuses on pain management, symptom control, ethical/legal issues, and other core areas. All of the applicant's RNs are also in the process of receiving ELNEC training for pediatric palliative and hospice care and will complete their training in less than a year.

Additionally, the applicant participates in the nurse training programs operated by Motlow State Community College and Columbia State Community College

- b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c).

Response: Not applicable.

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

Response: The Proposed Counties are immediately adjacent to Hospice Compassus' existing service area. It is natural for any expansion to take place in adjacent counties. Each county except for Wayne demonstrates a need for general hospice services according to the new need calculation formula. However, the formula does not take into account the specialized hospice services that the applicant offers, including pediatric and

perinatal hospice services, and palliative care services, which, to the best of the applicant's knowledge, are not offered in any county in the proposed service area. Thus, Hospice Compassus seeks approval to expand its service area to Decatur, Hardin, Humphreys, Perry and Wayne counties in order to meet the hospice needs of residents of those counties.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

Response: Please see a map of the existing and proposed service area included as Attachment C-Need-3. It is reasonable for the applicant to seek to expand its service area to include the Proposed Counties because its existing service area is immediately adjacent to them. The addition of five counties can still be met with the applicant's existing infrastructure. The applicant currently provides services in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore counties, and has applied for Certificate of Need authority to provide hospice services in Lincoln County. Hospice Compassus desires to expand its service area to include Decatur, Hardin, Humphreys, Perry and Wayne counties so that it may provide quality hospice services to those residents in need of both the general and specialized hospice services that the applicant provides.

4. A. Describe the demographics of the population to be served by this proposal.

Response: The following chart sets forth the current population in Tennessee and in Decatur, Hardin, Humphreys, Perry and Wayne counties specifically, and the projected population of Tennessee and these counties in 2017.

POPULATION PROJECTIONS

Decatur County			
Age	2013	2017	% Increase
0 to 19	2,622	2,627	0.2%
20 to 44	3,370	3,289	(2.5%)
45 to 64	3,151	3,090	(2.0%)
65 to 74	1,307	1,389	6.0%
75 plus	1,059	1,138	6.9%
Total All Ages:	11,509	11,533	0.2%
Hardin County			
Age	2013	2017	% Increase
0 to 19	6,551	6,712	2.4%
20 to 44	7,970	7,889	(1.0%)
45 to 64	7,440	7,327	(1.5%)
65 to 74	2,973	3,293	9.7%
75 plus	2,157	2,334	7.6%
Total All Ages:	27,091	27,555	1.7%
Humphreys County			
Age	2013	2017	% Increase
0 to 19	4,854	4,983	2.6%
20 to 44	5,847	5,893	0.8%
45 to 64	5,146	5,105	(0.8%)
65 to 74	1,915	2,079	7.9%
75 plus	1,422	1,552	8.4%
Total All Ages:	19,184	19,612	2.2%
Perry County			
Age	2013	2017	% Increase
0 to 19	1,961	1,986	1.3%
20 to 44	2,299	2,311	0.5%
45 to 64	2,138	2,091	(2.2%)
65 to 74	851	937	9.2%
75 plus	593	621	4.5%
Total All Ages:	7,842	7,946	1.3%
Wayne County			
Age	2013	2017	% Increase
0 to 19	3,839	3,948	2.8%
20 to 44	6,327	6,344	0.3%
45 to 64	4,473	4,425	(1.1%)
65 to 74	1,650	1,801	8.4%
75 plus	1,235	1,358	9.1%
Total All Ages:	17,524	17,876	2.0%
Proposed Service Area Total			
Age	2013	2017	% Increase
0 to 19	19,827	20,256	2.1%
20 to 44	25,813	25,726	(0.3%)
45 to 64	22,348	22,038	(1.4%)
65 to 74	8,696	9,499	8.5%
75 plus	6,466	7,003	7.7%
Total All Ages:	83,150	84,522	1.6%

State of Tennessee			
Age	2013	2017	% Increase
0 to 19	1,674,844	1,718,413	2.5%
20 to 44	2,118,830	2,147,227	1.3%
45 to 64	1,716,036	1,742,135	1.5%
65 to 74	521,571	599,325	13.0%
75 plus	383,016	416,014	7.9%
Total All Ages:	6,414,297	6,623,114	3.2%

Source: Tennessee Department of Health, Office of Policy, Planning and Assessment, Division of Health Statistics.

The population of each of the counties in the proposed service area and the State of Tennessee overall is growing and that growth is projected to continue. As the population continues to grow and age, the need for hospice services will increase as well.

The majority of hospice patients are over the age of 65. The 65+ population in each of the Proposed Counties is the fastest growing population by a significant percentage. The population age 65-74 in the overall service area is expected to increase 8.5% and the population aged 75 plus is expected to increase 7.7%, while the population 25-64 is expected to decrease. The percentage of the 65+ population in each of the Proposed Counties is larger than the percentage of the population that is 65+ for Tennessee, ranging from 16.5% of 20.6% of the population as compared to Tennessee where 14% of the population is aged 65 and older.

The fact that the residents of the proposed service area who are 65+ make up a significant portion of the area's population and that percentage continues to grow further illustrates the need for both general and specialized hospice services in the proposed service area.

PROJECTED POPULATION OF PROPOSED SERVICE AREA 65+

County	2013 Population 65+	2013 Total Population	% of Total Population 65+	2017 Population 65+	2017 Total Population	% of Total Population 65+
Decatur	2,366	11,509	20.6%	2,527	11,533	21.9%
Hardin	5,130	27,091	18.9%	5,627	27,555	20.4%
Humphreys	3,337	19,184	17.4%	3,631	19,612	18.5%
Perry	1,444	7,842	18.4%	1,558	7,946	19.6%
Wayne	2,885	17,524	16.5%	3,159	17,876	17.7%
Tennessee State	904,587	6,414,297	14.1%	1,015,339	6,623,114	15.3%

Source: Tennessee Department of Health, Office of Policy, Planning and Assessment, Division of Health Statistics

Additional information on the demographics on each of the Proposed Counties is taken from the U.S. Census Bureau and is included in the table below and attached as Attachment C-Need-4.

DEMOGRAPHIC DATA FOR PROPOSED COUNTIES

County	Median Household Income	Residents Below Poverty Level	Median Home Value
Decatur	\$30,311	21.1%	\$68,800
Hardin	\$32,131	22.7%	\$89,700
Humphreys	\$41,810	14.2%	\$107,400
Perry	\$31,857	22.9%	\$79,900
Wayne	\$33,630	20.9%	\$70,300

Source: U.S. Census Bureau

DEMOGRAPHIC DATA FOR STATE OF TENNESSEE

State	Median Household Income	Residents Below Poverty Level	Median Home Value
Tennessee	\$48,989	16.9%	\$137,200

Source: U.S. Census Bureau

When comparing the data from the State overall to the data for each of the counties in the proposed service area, all counties have lower median household incomes than the state and all but one have higher numbers who live below the poverty level than the state average and the one that is not is about 90% of the state average. Thus a provider who provides charity care at the level the applicant does would provide significant benefits to the residents of the proposed service area.

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

Response: The persons served by the applicant will primarily be elderly. The vast majority of the applicant's patients are Medicare beneficiaries. However, all patients, including women, racial and ethnic minorities, and low-income groups, will be served by the applicant without regard to their ability to pay.

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects

must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response: To the best of the applicant's knowledge and based upon data on the Tennessee Department of Health website, each of the licensed hospice providers in the proposed service area is represented in the tables below. The utilization trends for each of the licensed hospice providers in each county of the proposed service area for the previous three (3) years are illustrated in the following tables. There are no approved but unimplemented CONs in the Proposed Counties.

HOSPICE PATIENTS IN DECATUR COUNTY 2010-2012

	2010					2011					2012				
Provider	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Aseracare Hospice-McKenzie	0	2	4	1	7	0	0	0	0	0	0	1	0	1	2
Avalon Hospice ¹	0	0	0	0	0	0	2	0	0	2	N/A	N/A	N/A	N/A	N/A
Baptist Memorial Homecare and Hospice	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Caris Healthcare, LP - Gibson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hospice of West Tennessee	1	5	3	6	15	0	2	3	10	15	0	3	1	6	10
Tennessee Quality Hospice	0	3	6	11	20	0	2	4	14	20	1	2	1	17	21
Unity Hospice Care of Tennessee, LLC ²	0	4	2	3	9	N/A	N/A	N/A	N/A	N/A	1	1	2	5	9
Total	1	14	15	21	51	0	6	7	24	37	2	7	4	29	42

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²2011 Joint Annual Report was unavailable on the Tennessee Department of Health website at the time this application was prepared.

**HOSPICE PATIENTS IN HARDIN COUNTY
2010-2012**

Provider ²	2010					2011					2012				
	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Aseracare Hospice-McKenzie	0	2	0	0	2	0	1	1	1	3	0	2	4	4	10
Avalon Hospice ¹	0	0	0	0	0	0	0	0	2	2	N/A	N/A	N/A	N/A	N/A
Caris Healthcare, LP - Davidson	0	0	0	1	1	0	1	0	0	1	0	1	0	0	1
Magnolia Regional Health Center Home Health and Hospice	0	1	2	1	4	0	1	1	1	3	0	0	2	1	3
Mercy Hospice, Inc. ³	0	8	8	9	25	N/A	N/A	N/A	N/A	N/A	0	5	7	11	23
Tennessee Quality Hospice	0	1	5	11	17	0	2	5	26	33	0	3	5	19	27
Unity Hospice Care of Tennessee, LLC ³	0	1	1	4	6	N/A	N/A	N/A	N/A	N/A	0	5	5	25	35
Volunteer Hospice, Inc.	0	4	7	8	19	0	3	3	4	10	0	2	0	3	5
Total	0	17	23	34	74	0	8	10	34	52	0	18	23	63	104

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²Legacy Hospice of the South is listed by the Tennessee Department of Health as a licensed hospice provider in Hardin County. However, no Joint Annual Report data is available for this provider.

³2011 Joint Annual Report was unavailable on the Tennessee Department of Health website at the time this application was prepared.

**HOSPICE PATIENTS IN HUMPHREYS COUNTY
2010-2012**

	2010					2011					2012				
Provider	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Aseracare Hospice-McKenzie	0	2	2	3	7	0	4	1	2	7	0	0	0	2	2
Avalon Hospice ¹	0	1	2	2	5	0	3	3	7	13	N/A	N/A	N/A	N/A	N/A
Baptist Memorial Homecare and Hospice	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Caris Healthcare, LP- Davidson	0	4	5	9	18	0	6	4	10	20	0	6	10	11	27
Henry County Medical Center Hospice	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee Quality Hospice	1	2	1	5	9	0	2	8	7	17	0	7	5	23	35
Unity Hospice Care of Tennessee, LLC ²	0	0	1	2	3	N/A	N/A	N/A	N/A	N/A	0	2	1	3	6
Total	1	9	11	21	42	0	15	16	26	57	0	15	16	39	70

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²2011 Joint Annual Report was unavailable on the Tennessee Department of Health website at the time this application was prepared.

**HOSPICE PATIENTS IN PERRY COUNTY
2012-2012**

	2010					2011					2012				
Provider	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Aseracare Hospice-McKenzie	0	0	0	1	1	0	0	0	1	1	0	0	0	0	0
Avalon Hospice ¹	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
Caris Healthcare, LP-Davidson	0	0	1	0	1	0	0	0	0	0	0	0	0	1	1
Tennessee Quality Hospice	0	1	0	4	5	0	1	0	2	3	0	1	0	3	4
Unity Hospice Care of Tennessee LLC ²	0	1	5	9	15	N/A	N/A	N/A	N/A	N/A	0	3	6	9	18
Total	0	2	6	14	22	0	1	0	3	4	0	4	6	13	23

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²2011 Joint Annual Report was unavailable on the Tennessee Department of Health website at the time this application was prepared.

**HOSPICE PATIENTS IN WAYNE COUNTY
2010-2012**

	2010					2011					2012				
Provider	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Aseracare Hospice-McKenzie	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Avalon Hospice ¹	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A
Caris Healthcare, LP-Davidson	0	0	0	0	0	0	1	0	0	1	0	1	0	0	1
Tennessee Quality Hospice	0	11	9	19	39	0	7	12	23	42	0	4	6	25	35
Unity Hospice Care of Tennessee LLC ²	0	1	0	0	1	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0
Volunteer Hospice, Inc.	1	2	5	9	17	0	5	4	15	24	0	5	5	14	24
Total	1	14	14	28	57	0	13	16	38	67	0	10	11	39	60

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²2011 Joint Annual Report was unavailable on the Tennessee Department of Health website at the time this application was prepared.

**TOTAL HOSPICE PATIENTS IN PROPOSED SERVICE AREA
2012**

Provider³	Decatur County	Hardin County	Humphreys County	Perry County	Wayne County	Total
Aseracare Hospice- McKenzie	2	10	2	0	0	14
Avalon Hospice ¹	N/A	N/A	N/A	N/A	N/A	N/A
Baptist Memorial Homecare and Hospice ²	0	N/A	0	N/A	N/A	0
Caris Healthcare, LP - Davidson ²	N/A	1	27	1	1	30
Caris Healthcare, LP - Gibson ²	0	N/A	N/A	N/A	N/A	0
Henry County Medical Center Hospice ²	N/A	N/A	0	N/A	N/A	0
Hospice of West Tennessee ²	10	N/A	N/A	N/A	N/A	10
Magnolia Regional Health Center Home Health and Hospice ²	N/A	3	N/A	N/A	N/A	3
Mercy Hospice Inc. ²	N/A	23	N/A	N/A	N/A	23
Tennessee Quality Hospice	21	27	35	4	35	122
Unity Hospice of Tennessee, LLC	9	35	6	18	0	68
Volunteer Hospice Inc. ²	N/A	5	N/A	N/A	24	29
Total	42	104	70	23	60	299

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²This provider was not licensed to provide services in any county designated "N/A" in 2012.

³Legacy Hospice of the South is listed by the Tennessee Department of Health as a licensed hospice provider in Hardin County. However, no Joint Annual Report data is available for this provider.

The chart below reflects the total hospice patients served in Tennessee by each licensed provider, including counties outside of the proposed service area.

**EXISTING PROVIDERS - TOTAL HOSPICE PATIENTS SERVED IN TENNESSEE
2010-2012**

Provider ²	2010					2011					2012				
	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Aseracare Hospice-McKenzie	0	151	108	435	694	0	131	123	459	713	0	153	188	580	921
Avalon Hospice ¹	0	112	116	358	586	0	191	194	610	995	N/A	N/A	N/A	N/A	N/A
Baptist Memorial Homecare and Hospice	0	7	6	19	32	0	5	10	33	48	0	7	9	44	60
Caris Healthcare, LP- Davidson	2	114	129	580	825	2	133	133	544	812	0	119	141	570	830
Caris Healthcare, LP - Gibson	1	58	59	187	305	3	68	49	146	266	0	52	39	145	236
Henry County Medical Center Hospice	0	24	30	78	132	1	29	28	91	149	0	29	34	96	159
Hospice of West Tennessee	4	175	165	450	794	2	213	149	474	838	0	165	150	424	739
Magnolia Regional Health Center Home Health and Hospice	0	2	5	7	14	0	3	5	4	12	0	4	6	5	15
Mercy Hospice Inc. ³	0	17	18	31	66	N/A	N/A	N/A	N/A	N/A	1	12	18	43	74
Tennessee Quality Hospice	3	51	71	250	375	1	58	78	271	408	2	70	68	307	447
Unity Hospice Care of Tennessee, LLC ³	0	19	18	51	88	N/A	N/A	N/A	N/A	N/A	1	23	24	76	124
Volunteer Hospice	1	13	22	30	66	0	15	19	52	86	0	11	18	44	73

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice for each applicable facility and year. (2010-2012)

Notes: ¹2012 data unavailable at the time this application was prepared.

²Legacy Hospice of the South is listed by the Tennessee Department of Health as a licensed hospice provider in Hardin County. However, no Joint Annual Report data is available for this provider.

³2011 Joint Annual Report was unavailable at the time this application was prepared.

To the best of the applicant's knowledge, none of these facilities provide the pediatric, perinatal or palliative care hospice services in the Proposed Counties that Hospice Compassus currently provides.

The applicant does not anticipate that its expansion of hospice services to the proposed service area would have any impact on these existing hospice service providers. A need exists in four of the five Proposed Counties. The applicant projects providing services to 19 patients in its first year of operation, and 30 patients in its second year of operation. This projected utilization is not sufficient to have a significant adverse impact on any of the existing providers. The applicant believes, based on its analysis of the population, age, and other demographics of residents of the proposed service area, that not all residents who need hospice care are currently receiving it. The applicant plans to market its services and educate the community and local health care providers regarding the benefits of hospice care, and believes that doing so will result in increased utilization of hospice services among those residents who are not currently receiving such services. The applicant is not seeking to decrease the utilization of other hospice service providers in the proposed service area. Rather the applicant is seeking to increase the overall utilization of hospice services through increasing the availability of such services, including specialized hospice services that are not currently available. As stated earlier in Section C - Need, according to the new guidelines for hospice services, there is a need for services for 47 additional patients in the proposed service area. Therefore, the applicant's estimate of 19-30 patients should have no impact on existing providers.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

Response: The applicant's utilization statistics for the past three (3) years are illustrated in the following table:

**HOSPICE PATIENTS
HOSPICE COMPASSUS
2010-2012**

Provider	2010					2011					2012				
	Age (in years)					Age (in years)					Age (in years)				
	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total	0-17	18-64	65-74	75+	Total
Hospice Compassus	6	135	126	372	639	9	159	138	451	757	3	178	153	441	775

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice (2010-2012)

The applicant projects that in year one of providing hospice services in the proposed service area, it will treat 19 patients with an average daily census (ADC) of 3.5 patients. In year two of operation, the applicant projects that it will treat 30 patients with an ADC of 5.6 patients. This projection utilizes an average length of stay of 68 days based upon the applicant's current experience within its existing service area.

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.
 - All projects should have a project cost of at least \$3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)
 - The cost of any lease should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note; This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, at the "per click" rate and the term of the lease.
 - The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.
 - For projects that include new construction, modification, and/or renovation; **documentation must be** provided from a contractor and/or architect that support the estimated construction costs.

Response: Please see the project costs chart on the following page. The costs to add the Proposed Counties to the applicant's service area are minimal. To be conservative, they include the cost to open a branch office.

PROJECT COSTS CHART2013 JUN 10 PM 3: 52

A. Construction and equipment acquired by purchase:

1.	Architectural and Engineering Fees	
2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	\$25,000
3.	Acquisition of Site	
4.	Preparation of Site	
5.	Construction Costs	
6.	Contingency Fund	
7.	Fixed Equipment (Not included in Construction Contract)	
8.	Moveable Equipment (List all equipment over \$50,000)	
9.	Other (Specify) <u>Budget for opening branch office</u>	\$35,000

B. Acquisition by gift, donation, or lease:

1.	Facility (inclusive of building and land)	
2.	Building only	
3.	Land only	
4.	Equipment (Specify)	
5.	Other (Specify) _____	

C. Financing Costs and Fees:

1.	Interim Financing	
2.	Underwriting Costs	
3.	Reserve for One Year's Debt Service	
4.	Other (Specify) _____	

D.	Estimated Project Cost (A+B+C)	
E.	CON Filing Fee	\$3,000
F.	Total Estimated Project Cost (D+E)	
	TOTAL	\$63,000

2. Identify the funding sources for this project.

a. Please check the applicable item(s) below and briefly summarize how the project will be financed. (Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.)

- ☐ A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- ☐ B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ☐ C. General obligation bonds—Copy of resolution from issuing authority or minutes from the appropriate meeting.
- ☐ D. Grants--Notification of intent form for grant application or notice of grant award; or
- ☒ E. Cash Reserves--Appropriate documentation from Chief Financial Officer.
- ☐ F. Other—Identify and document funding from all other sources.

Response: The project will be funded from cash reserves. Please see the letter from the applicant's Chief Financial Officer included as Attachment C, Economic Feasibility- 2.

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

Response: The costs for this project are minimal and are related to legal fees, the budget for opening a branch office to service the proposed service area if this application is approved, and the filing fee for the CON application. Hospice Compassus does not anticipate any additional costs related to this project.

4. Complete Historical and Projected Data Charts on the following two pages--**Do not modify the Charts provided or submit Chart substitutions!** Historical Data Chart represents revenue and expense information for the last three (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

Response: Please see Historical and Projected Data Charts.

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

Response: The applicant's average gross charge is \$8,901.37 in Year One and \$8,901.40 in Year Two. The average deduction from operating revenue is \$223.26 in Year One and \$223.27 in Year Two for an average net charge of \$8,678.11 in Year One

and \$8,678.13 in Year Two. These slight differences can be accounted for by rounding numbers.

HISTORICAL DATA CHART

Give information for the last *three (3)* years for which complete data are available for the facility or agency. The fiscal year begins in January.

	Year 2012	Year 2011	Year 2010
A. Utilization Data (Specify unit of measure)	51,901	44,984	32,512
B. Revenue from Services to Patients			
1. Inpatient Services	\$344,486	\$327,956	\$212,918
2. Outpatient Services	\$6,816,227	\$5,714,597	\$4,026,280
3. Emergency Services	0	0	0
4. Other Operating Revenue (Specify) _____	0	0	0
Gross Operating Revenue	<u>\$7,160,713</u>	<u>\$6,042,553</u>	<u>\$4,239,198</u>
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	\$21,154	\$12,251	\$16,215
2. Provision for Charity Care	\$155,760	\$113,540	N/A ²
3. Provisions for Bad Debt	\$20,220	\$46,685	\$47,049
Total Deductions	<u>\$197,134</u>	<u>\$172,476</u>	<u>\$63,264</u>
NET OPERATING REVENUE	<u>\$6,963,579</u>	<u>\$5,870,077</u>	<u>\$4,175,934</u>
D. Operating Expenses			
1. Salaries and Wages	\$3,125,742	\$2,699,875	\$2,166,611
2. Physician's Salaries and Wages	\$123,515	\$114,464	\$110,444
3. Supplies	\$910,728	\$853,080	\$535,708
4. Taxes	0	0	0
5. Depreciation	\$27,920	\$23,815	\$20,789
6. Rent	\$120,572	\$113,122	\$112,056
7. Interest, other than Capital	\$90	(\$7.00)	\$1,943
8. Other Expenses – Specify (Equipment lease & maintenance, communications, travel/training, advertising, mileage, misc.)	\$1,053,837	\$897,650	\$689,639
Total Operating Expenses	<u>\$5,362,404</u>	<u>\$4,701,999</u>	<u>\$3,637,190</u>
E. Other Revenue (Expenses) – Net (Specify) _____	\$ _____	\$ _____	\$ _____
NET OPERATING INCOME (LOSS)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
F. Capital Expenditures	\$34,327	\$27,749	\$16,498
1. Retirement of Principal	\$ _____	\$ _____	\$ _____
2. Interest	_____	_____	_____
Total Capital Expenditures	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
NET OPERATING INCOME (LOSS)			
LESS CAPITAL EXPENDITURES	<u>\$1,566,847</u>	<u>\$1,140,439</u>	<u>\$522,246</u>

²Data not broken out separately at this time.

PROJECTED DATA CHART

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January.

		Year One 2013 JUN 27 PM 4:12	Year Two 30
A.	Utilization Data (Specify unit of measure)		
B.	Revenue from Services to Patients		
1.	Inpatient Services	\$3,452	\$5,450
2.	Outpatient Services	\$169,126	\$267,042
3.	Emergency Services	0	0
4.	Other Operating Revenue (Specify) _____	0	0
	Gross Operating Revenue	<u>\$172,578</u>	<u>\$272,492</u>
C.	Deductions from Gross Operating Revenue		
1.	Contractual Adjustments	\$488	\$770
2.	Provision for Charity Care	\$3,703	\$5,847
3.	Provisions for Bad Debt	\$51	\$81
	Total Deductions	<u>\$4,242</u>	<u>\$6,698</u>
	NET OPERATING REVENUE	<u>\$168,336</u>	<u>\$265,794</u>
D.	Operating Expenses		
1.	Salaries and Wages	\$115,440	\$153,024
2.	Physician's Salaries and Wages	\$6,000	\$12,000
3.	Supplies	\$21,576	\$34,068
4.	Taxes	0	0
5.	Depreciation	0	0
6.	Rent	0	0
7.	Interest, other than Capital	0	0
8.	Other Expenses -- Specify--(Mileage, advertising, travel, training, furniture, leasehold improvements)	\$11,140	\$85,716
	Total Operating Expenses	<u>\$154,156</u>	<u>\$284,808</u>
E.	Other Revenue (Expenses) -- Net (Specify) _____	0	0
	NET OPERATING INCOME (LOSS)	<u>\$14,180</u>	<u>\$(19,014)</u>
F.	Capital Expenditures		
1.	Retirement of Principal	0	0
2.	Interest	0	0
	Total Capital Expenditures	<u>\$0</u>	<u>\$0</u>
	NET OPERATING INCOME (LOSS)		
	LESS CAPITAL EXPENDITURES	<u>\$14,180</u>	<u>\$(19,014)</u>

HISTORICAL DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year 2012	Year 2011	Year 2010
1. Mileage/Travel/Meals	\$292,544	\$293,344	\$223,269
2. Advertising/Marketing/Subscriptions/Colleague Expenses	\$127,606	\$94,060	\$96,163
3. IT Communication/Office Supplies/etc.	\$323,099	\$252,472	\$189,957
4. Nursing Home Room and Board Net/Inpatient Facility Cost/Lab/Diagnostic/Ambulance, etc.	\$310,588	\$257,774	\$180,250
Total Other Expenses	<u>\$1,053,837</u>	<u>\$897,650</u>	<u>\$689,639</u>

PROJECTED DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year One	Year Two
1. Mileage/Travel/Meals	\$4,410	\$17,640
2. Advertising/Marketing/Subscriptions/Colleague Expenses	\$801	\$14,348
3. IT/Communication/Office Supplies/etc.	\$1,200	\$6,150
4. Nursing Home Room and Board/Inpatient Facility Cost/Lab/Diagnostic/Ambulance, etc.	\$4,729	\$12,578
5. New Office Expenses	\$0	\$35,000
Total Other Expenses	<u>\$11,140</u>	<u>\$85,716</u>

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

Response: The applicant reported the following as the Medicare per diem rate for hospice services on its 2012 Joint Annual Report of Hospice: Routine Hospice Care - \$132, Continuous Hospice Care - \$768, General Inpatient - \$593, Respite Inpatient - \$141.

The applicant's charges for hospice services are determined by the Centers for Medicare and Medicaid Services (CMS). Thus, the only changes to the amount charged for the applicant's services will be as a result of changes to such rates by CMS. The applicant does not establish a separate fee schedule per se. Rather, the applicant accepts the CMS reimbursement for its hospice services. Infrequently, the applicant provides services to self-pay patients. In those circumstances, the applicant charges the same rate as the Medicare reimbursement rate.

The applicant expects to generate \$14,180 in net revenue in its first year of operation in the proposed service area, and projects a loss in year two of \$19,014 due to the establishment of a third branch office in the vicinity of Hickman and Perry counties that will support the proposed service area. After absorbing the cost for the establishment of this third branch office in year two, the applicant expects to be profitable in its third and subsequent years of operation. This project will not result in any impact on existing patient charges.

- B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Response: The Medicare per diem rates reported by each of the existing licensed providers in the proposed service area are substantially similar to those reported by the applicant, as demonstrated by the following table:

Name of Agency**	Routine Hospice Care	Continuous Hospice Care	General Inpatient	Respite Inpatient
<i>Hospice Compassus</i>	\$132	\$768	\$593	\$141
Aseracare ¹ Hospice-McKenzie	\$132	\$770	\$593	\$141
Avalon Hospice ¹	\$149	\$869	\$663	\$154
Baptist Memorial Homecare and Hospice ²	\$128	\$748	\$576	\$137
Caris Healthcare, LP-Davidson ⁶	\$149	\$836	\$639	\$150
Caris Healthcare, LP-Gibson ³	\$132	\$770	\$593	\$141
Henry County Medical Center Hospice ⁴	\$128	\$748	\$576	\$137
Hospice of West Tennessee ³	\$132	\$770	\$592	\$140
Magnolia Regional Health Center Home Health & Hospice ⁵	\$130	\$760	\$585	\$139
Mercy Hospice, Inc. ⁵	\$126	\$738	\$568	\$135
Tennessee Quality Hospice ¹	\$132	\$770	\$593	\$141
Unity Hospice Care of Tennessee, LLC ¹	\$132	\$770	\$593	\$141
Volunteer Hospice, Inc. ⁷	\$132	\$770	\$593	\$141

Source: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice 2012.

¹Licensed to provide services in all Proposed Counties.

²Licensed to provide services in Decatur and Humphreys Counties.

³Licensed to provide services in Decatur County only.

⁴Licensed to provide services in Humphreys County only.

⁵Licensed to provide services in Hardin County only.

⁶Licensed to provide services in Hardin, Humphreys, Perry and Wayne Counties only.

⁷Licensed to provide services in Hardin and Wayne Counties only.

*No Joint Annual Report data available for 2012.

**Legacy Hospice of the South is listed by the Tennessee Department of Health as a licensed hospice provider in Hardin County. However, no Joint Annual Report data is available for this provider.

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

Response: The applicant is already operating in the counties immediately adjacent to the proposed service area, so its infrastructure, including administrative services and staffing, is already in place and operational. Additionally, the applicant plans to establish a new branch office in the vicinity of Perry and Hickman counties to further support its provision of services in the proposed service area. There is a need for general and, particularly, specialized hospice services in the proposed service area. The projected utilization rates will be more than sufficient to maintain cost-effectiveness because the cost associated with the applicant's expansion to the proposed service area is minimal.

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Response: There is minimal cost associated with the applicant's expansion to the proposed service area. The proposed project will have a net operating income of \$14,180 the first year, and a net operating loss of \$19,014 the second year, when it is anticipated that a new branch office will be opened and \$35,000 is spent for furniture and fixtures and leasehold improvements. The applicant expects net operating income to again be positive in Year 3. The applicant has sufficient cash flow to fund this minimal short-term loss, as well as any additional costs that may arise.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

Response: The applicant participates in the Medicare, TennCare, and TRICARE/CHAMPUS programs. As reported on the applicant's 2012 Joint Annual Report of Hospice, \$1,032,316 in revenue came from TennCare, \$5,837,440 from Medicare, \$21,740 from TRICARE/CHAMPUS, \$3,330 from private pay patients, and \$503,215 from other pay sources. The applicant reported \$172,625 in charity care on its 2012 Joint Annual Report. This equates to approximately 14% revenue from TennCare, 78.9% revenue from Medicare, 0.3% from TRICARE/CHAMPUS, 0.05% from private pay patients, and 6.8% from other pay sources.

The applicant anticipates that these percentages will main relatively constant throughout its first year of operation in the proposed service area. Based on projected net patient revenue of \$168,336 in year one of its operation in the Proposed Counties, the applicant anticipates revenue from the TennCare program totaling approximately \$23,567, revenue from the Medicare program totaling approximately \$132,817, revenue from TRICARE/CHAMPUS totaling approximately \$505, revenue from private pay patients totaling approximately \$84, and revenue from other pay sources totaling approximately \$11,447.

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be

inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

Response: See Attachment C, Economic Feasibility-10, the applicant's consolidated unaudited preliminary balance sheet for the applicant's parent company, CLP, as well as a quarterly cash balance letter from Regions Bank reflecting adequate cash on hand to fund the minimal expense associated with the proposed project.

11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

- a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

Response: There are no less costly, more effective, and/or more efficient alternative methods of providing the benefits to the residents of the proposed service area. The applicant's existing service area is immediately adjacent to the proposed service area. In addition, the applicant provides specialized perinatal and pediatric hospice services, as well as palliative care services that, to the best of the applicant's knowledge, the residents of the proposed service area currently do not have access to. The benefit of the applicant's expansion to the Proposed Counties is tremendous for the residents of those counties, and the cost involved in making that expansion is minimal. The applicant's administrative infrastructure and staffing are already in place and operational. This project will be financially viable by its third year of operation.

- b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

Response: Not applicable.

(III.) CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

Response: The applicant currently has contractual and/or working relationships with the following providers: St. Jude Children's Research Hospital, Vanderbilt University Medical Center, Vanderbilt Children's Hospital, Baptist Medical Center, Centennial Medical Center, Maury Regional Hospital, St. Thomas Hospital, Willowbrook Hospice, Hillside Hospital, Crockett Hospital, Hickman Community Hospital, Elk Valley Home Health, United Healthcare HMO, Amerigroup HMO, BlueCross BlueShield, United Healthcare, Aetna, Cigna, Healthspring HMO, Huntsville Hospital, and local Veterans Administration clinics.

The applicant plans to establish working relationships with numerous providers in the proposed service area in order to ensure the availability of the services it provides to residents of the proposed service area. It anticipates establishing such relationships with Three Rivers Hospital in Humphreys County, Humphreys County Nursing Home, Wayne Medical Center, Wayne Care Nursing Home, Wayne County Nursing Home, Waynesboro Medical Clinic, Hardin Medical Center, Savannah Medical Center, Complete Care PCs, Life Span, Life Span Kids, Park Rest, Savannah Health & Rehab, Harding Home Nursing Home, Hardin County Nursing Home, Averett Medical Group, Perry Community Hospital, Perry County Nursing Home, Decatur County General Hospital, Westwood Health Care & Rehab, as well as numerous physician providers.

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

Response: Approval of this project will result in a significant positive effect on the health care system with no negative effects on current providers. Expansion of its service area to include Decatur, Hardin, Humphreys, Perry and Wayne counties will allow Hospice Compassus to meet the needs of residents of those counties. There will be no duplication of services because, to the best of the applicant's knowledge, no other licensed hospice provider provides the perinatal, pediatric and palliative care hospice services that Hospice Compassus provides and will provide in the Proposed Counties.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

The applicant proposes to provide the following staff at the outset of its provision of services to the proposed service area, and will increase its nursing staff as the number of patients served increases. The applicant's current staffing model calls for fourteen (14) patients per one (1) registered nurse (RN). The applicant projects that it will receive nineteen (19) referrals for hospice care in the proposed service area in its first year of operation there, resulting in an average daily census of 3.5 patients. Pursuant to the applicant's staffing model, this results in a need for 0.30 FTE registered nurses to treat those patients. The applicant is also planning on staffing 0.30 FTE home health aides and 0.25 FTE social workers to provide services to residents of the proposed service area during its first year of operation there. The applicant will add additional staff as the utilization of hospice services in the Proposed Counties increases. The applicant currently complies with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization and will continue to do so if the Proposed Counties are added.

The applicant's RNs are compensated at the rate of \$26 per hour, and its home health aides are compensated at the rate of \$12 per hour. According to the Tennessee Department of Labor and Workforce Development, 2012 South Central Tennessee Balance of State Occupational Wages and 2012 West Tennessee Balance of State Occupational Wages, issued May 2012, registered nurses are compensated at the rate of \$27.77 per hour and \$27.08 per hour, respectively, and home health aides are

compensated at the rate of \$9.04 per hour and \$9.65 per hour, respectively. Based on this data, the salaries paid by the applicant are competitive with the salaries paid by other employers in the South Central Tennessee area, which includes Bedford, Coffee, Franklin, Giles, Grundy, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry and Wayne counties, and the West Tennessee area, which includes Benton, Carroll, Crockett, Decatur, Dyer, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Houston, Humphreys, Lake, Lauderdale, McNairy, Obion and Weakley counties.

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

Response: The applicant does not anticipate encountering any difficulty ensuring that it has adequate staff to meet the needs of its patients. Hospice Compassus currently has sufficient staff to respond to the needs of residents in the proposed service area requesting hospice services. Hospice Compassus recently opened a second branch office in Lawrenceburg, Tennessee, which will support its provision of services to residents of the proposed service area. As Hospice Compassus' range of available services and patient volume increases, it will add additional staff as necessary to ensure that adequate staff are consistently available.

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review *policies and programs, record keeping, and staff education.*

Response: The Applicant has reviewed and understands all hospice licensing requirements for the Tennessee Department of Health and intends to comply with the same.

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Response: Hospice Compassus participates in the nurse training programs operated by Motlow State Community College and Columbia State Community College. As part of the nursing program's community education course requirement, nursing students participate in a one (1) day clinical ride along with a Hospice Compassus nurse.

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

Response: The applicant has reviewed and understands the licensure requirements of the Department of Health and any applicable Medicare requirements.

- (b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure:

Response: Tennessee Department of Health, Board for Licensing Health Care Facilities.

Accreditation:

Response: Not applicable.

- (c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

Response: The applicant's license from the Tennessee Department of Health and its Clinical Laboratory Improvement Amendments license are included as Attachment C, Contribution to the Orderly Development of Health Care - 7(c).

- (d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

Response: Hospice Compassus' most recent licensure/certification inspection, dated April 2010, is included as Attachment C, Contribution to the Orderly Development of Health Care-7(d). Hospice Compassus did not have any deficiencies, so no plan of correction was required.

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

Response: Not applicable.

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

Response: Not applicable.

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

Response: If this project is approved, the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and such other data as required.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

Response: Please see attached affidavits of publication showing that publication occurred in The News Leader (Decatur County) on June 5, 2013; Savannah Courier (Hardin County) on June 6, 2013; The News Democrat (Humphreys County) on June 7, 2013; Buffalo River Review (Perry County) on June 5, 2013; and Wayne County News (Wayne County) on June 5, 2013.

DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the "good cause" for such an extension.

Response: The applicant does not anticipate requesting an extension of time.

Form HF0004
Revised 05/03/04
Previous Forms are obsolete

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in Rule 68-11-1609(c): September 25, 2013 2013 JUN 10 PM 3:53

Assuming the CON approval becomes the final agency action on that date; indicate the number of days **from the above agency decision date** to each phase of the completion forecast.

<u>Phase</u>		DAYS REQUIRED	Anticipated Date (MONTH/YEAR)
1.	Architectural and engineering contract signed	<u>N/A</u>	<u>N/A</u>
2.	Department of Health	<u>N/A</u>	<u>N/A</u>
3.	Construction contract signed	<u>N/A</u>	<u>N/A</u>
4.	Building permit secured	<u>N/A</u>	<u>N/A</u>
5.	Site preparation completed	<u>N/A</u>	<u>N/A</u>
6.	Building construction commenced	<u>N/A</u>	<u>N/A</u>
7.	Construction 40% complete	<u>N/A</u>	<u>N/A</u>
8.	Construction 80% complete	<u>N/A</u>	<u>N/A</u>
9.	Construction 100% complete (approved for occupancy)	<u>N/A</u>	<u>N/A</u>
10.	*Issuance of license	<u>30</u>	<u>Nov. 1, 2013</u>
11.	*Initiation of service	<u>30</u>	<u>Nov. 1, 2013</u>
12.	Final Architectural Certification of Payment	<u>N/A</u>	<u>N/A</u>
		_____	_____
13.	Final Project Report Form (HF0055)	<u>60</u>	<u>Dec. 1, 2013</u>

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

AFFIDAVIT

STATE OF TENNESSEE

2013 JUN 10 PM 3: 53

COUNTY OF DAVIDSON

Kim H. Looney, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, et seq., and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.


SIGNATURE/TITLE

Sworn to and subscribed before me this 10th day of June, 2013, a Notary
Public in and for the County/State of Tennessee.


NOTARY PUBLIC

My commission expires, January 6, 2015.



My Commission Expires JAN. 6, 2015

Attachment B-1 Executive Summary

EXECUTIVE SUMMARY

COMMUNITY HOSPICES OF AMERICA - TENNESSEE, LLC D/B/A HOSPICE COMPASSUS- THE HIGHLAND RIM

Services: Expansion of hospice services in Decatur, Hardin, Humphreys, Perry and Wayne counties.

Ownership Structure: The applicant, Community Hospices of America - Tennessee, LLC d/b/a Hospice Compassus - The Highland Rim (Hospice Compassus), is wholly-owned by Community Hospices of America - Tennessee, LLC.

Project Cost: The total project costs are \$63,000.

Funding: Funding for this project is expected to be provided by Hospice Compassus, from its cash reserves.

Service Area: Decatur, Hardin, Humphreys, Perry and Wayne counties.

Staffing: In its first year of operation, the applicant anticipates utilizing its existing staff as follows: Registered Nurse - 0.3 FTE, Home Health Aide - 0.3 FTE, and Social Worker - 0.25. In its second year of operation, the applicant anticipates utilizing its staff as follows: Director of Clinical Services - 0.5 FTE, Home Health Aide - 0.5 FTE, and Social Worker - 0.25. The applicant will add additional staffing as required.

Financial Feasibility: The costs of the project are reasonable and do not include any capital expenditures. The applicant expects to generate a positive net income in the first year of operation. The applicant expects to experience a slight loss in year two of operation due to its anticipated establishment of a third branch office to support the Proposed Counties, returning to positive net income in year three.

Need: The applicant provides both general and specialized hospice services in the counties immediately adjacent to the proposed service area. According to the new need calculation formula, the proposed service area has a Hospice Penetration Rate of 0.272, which is less than 80% of the Statewide Median Hospice Penetration Rate (0.311), as required by the new formula.

In addition, data provided by the Tennessee Department of Health shows a need for 47 additional hospice service recipients in the proposed service area. The applicant is an existing provider that treated 775 patients in 2012; therefore, existing utilization combined with sufficient need in the proposed service area provides sufficient utilization for the applicant to serve more than the minimum threshold of 120 patients.

Finally, the vast majority (over 90%) of its patients are Medicare beneficiaries. The applicant also provides services to Medicaid patients (14%) and a substantial amount of indigent care to patients (2.3%) that may not otherwise have access to quality hospice services.

As the application demonstrates, there is a need for general and specialized hospice and palliative care services in the proposed service area. Hospice Compassus is well-qualified

to meet this need and can begin providing those services for minimal cost. Hospice Compassus has already has an established administrative infrastructure and staffing as a result of its operations in the immediately adjacent counties.

Contribution to Orderly Development of Health Care

Hospice Compassus offers perinatal and pediatric hospice services, as well as palliative care hospice services, that no other licensed hospice provider in the proposed service area currently offers.

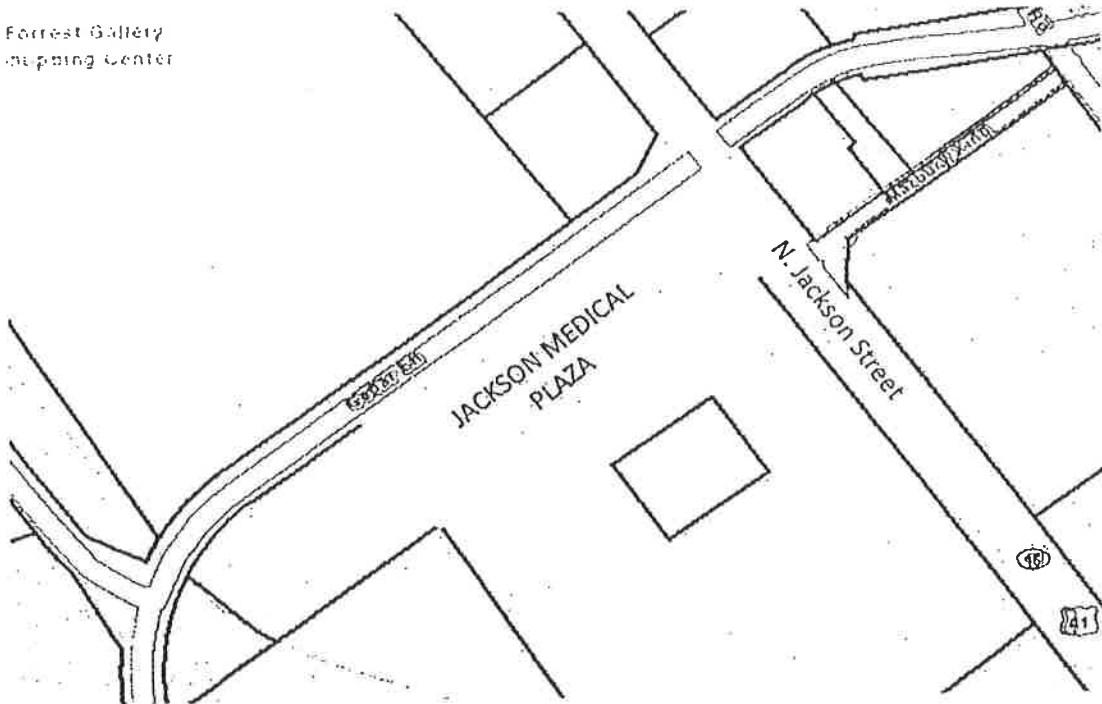
The applicant's hospice and palliative care services should also assist hospitals in reducing the number of hospital admissions and days, ICU admission and days, 30 day hospital readmissions and in-hospital deaths, as supported by a study performed by Mount Sinai's Icahn School of Medicine, published in *Health Affairs* in March 2013. This will have a significant positive impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions.

Attachment B.III(A)
Plot Plan

2013 JUN 10 PM 3: 53

Coffee County - Parcel: 109 061.02

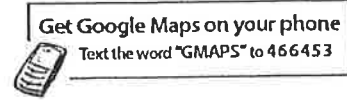
Forrest Gallery
Shopping Center



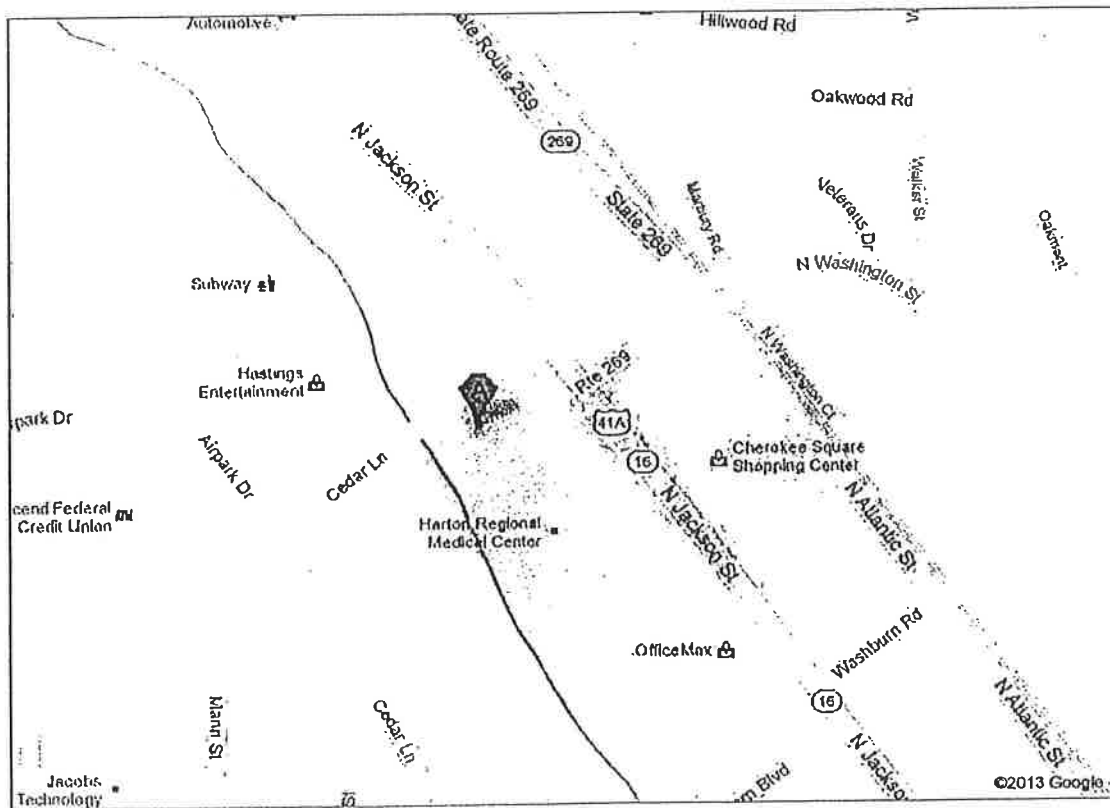
Date Created: 3/15/2013



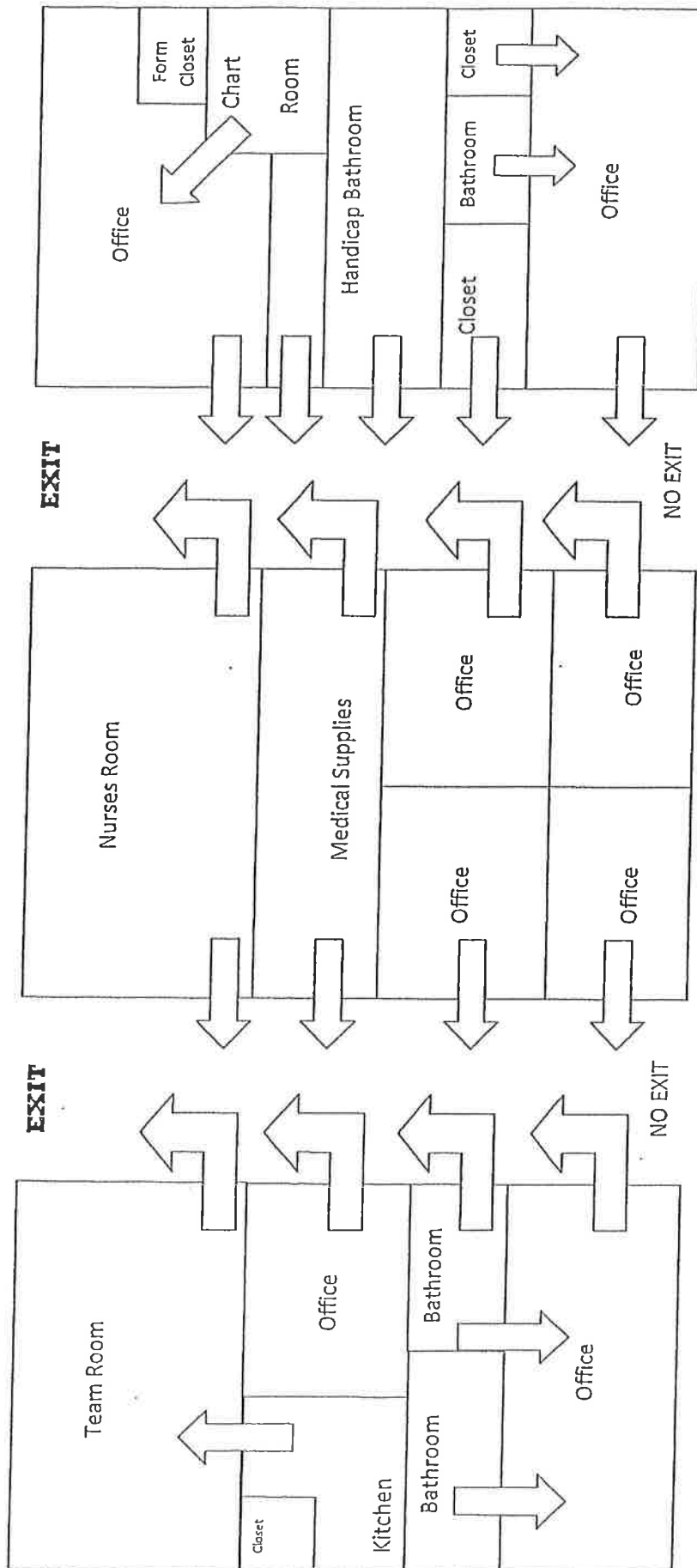
Hospice Compassus, near 1805 N Jackson St, Tullahoma, Coffee, Tennessee 37388



- A. **Hospice Compassus**
1805 N Jackson St, Tullahoma, TN
(931) 455-9118
1 review



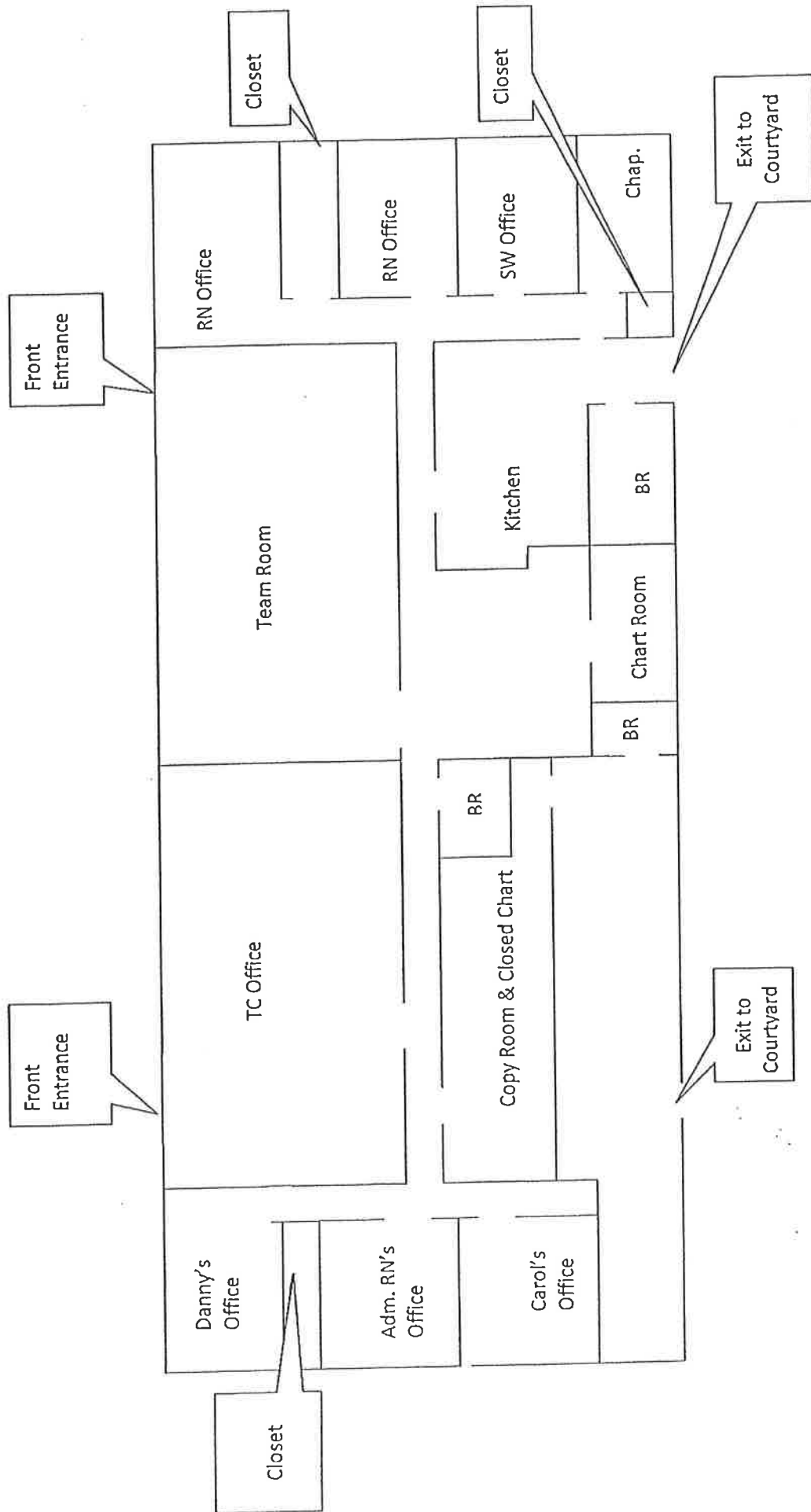
**Attachment B-.IV
Floor Plan**



Courtyard ➡

EMERGENCY EXIT MAP

2013 JUN 10 PM 3:53




Attachment C-Need-1
Health Affairs Article

Hospice Enrollment Saves Money For Medicare And Improves Care Quality Across A Number Of Different Lengths-Of-Stay

Amy S. Kelley^{1,*}, Partha Deb², Qingling Du³, Melissa D. Aldridge Carlson⁴ and R. Sean Morrison⁵

 Author Affiliations

 *Corresponding author

Abstract

Despite its demonstrated potential to both improve quality of care and lower costs, the Medicare hospice benefit has been seen as producing savings only for patients enrolled 53-105 days before death. Using data from the Health and Retirement Study, 2002-08, and individual Medicare claims, and overcoming limitations of previous work, we found \$2,561 in savings to Medicare for each patient enrolled in hospice 53-105 days before death, compared to a matched, nonhospice control. Even higher savings were seen, however, with more common, shorter enrollment periods: \$2,650, \$5,040, and \$6,430 per patient enrolled 1-7, 8-14, and 15-30 days prior to death, respectively. Within all periods examined, hospice patients also had significantly lower rates of hospital service use and in-hospital death than matched controls. Instead of attempting to limit Medicare hospice participation, the Centers for Medicare and Medicaid Services should focus on ensuring the timely enrollment of qualified patients who desire the benefit.

Medicare Cost Of Health Care Elderly Health Reform Hospice

As of 2012, 5 percent of the most seriously ill Americans accounted for more than 50 percent of health care spending, with most costs incurred in the last year of life as a result of hospital-based treatment.¹⁻³ Despite those high and escalating health care costs, numerous studies demonstrate that seriously ill patients and their families receive suboptimal care, characterized by untreated pain and physical symptoms, spiritual and emotional distress, high family caregiving burdens, and unnecessary or unwanted treatments inconsistent with their previously stated wishes and goals for care.⁴⁻¹¹

Hospice has been shown to greatly improve the quality of care for patients and their families near the end of life. Under Medicare Part A, the hospice benefit covers palliative care services delivered by a team of professionals, including physicians, nurses, social workers, chaplains, home health aides, and volunteers, to dying patients—that is, patients with a life expectancy of six months or less—who are willing to forgo curative treatments.¹²

Studies have consistently demonstrated that hospice is associated with reductions in symptom distress, improved outcomes for caregivers, and high patient and family satisfaction.^{6,13-15} Recent evidence also indicates that continuous hospice use reduces the use of hospital-based services—including emergency department visits and intensive care unit stays—and the likelihood of death in the hospital.¹⁶

The number of hospices has increased rapidly over the past twenty years, making hospice programs available to almost all eligible Americans.¹⁷ Medicare hospice spending has risen considerably with the growth and development of new hospice programs, particularly in the for-profit sector, and the resulting rise in the number of patients accessing the hospice benefit.^{18,19}

This increase in spending has led the Centers for Medicare and Medicaid Services to explore methods of containing Medicare hospice spending, such as through payment reform or investigation of hospices with long lengths-of-stay.²⁰ What is not known, however, is how the length of hospice enrollment relates to overall Medicare spending at the end of life—including what periods of enrollment might

decrease net Medicare costs as compared to usual care and, if they do, by how much.

The length of hospice enrollment that might achieve the greatest cost savings to Medicare is the subject of considerable debate. Some scholars have argued that beneficiaries must be enrolled in hospice longer than current practice to achieve financial savings under Medicare.²¹⁻²³ Others have found that longer hospice length-of-stay is associated with higher Medicare spending—particularly for those with noncancer diagnoses.²⁴

In the largest and most rigorous study to date, Donald Taylor and colleagues observed that hospice enrollment 53-105 days before death maximized Medicare savings compared to usual nonhospice care.²³ However, this study has been criticized for its inability to control for factors not present in Medicare claims that are known to be associated with higher costs, such as patients' functional status.²⁵

Another criticism cited notable differences between the hospice and control groups: Hospice users had greater costs in the period preceding hospice enrollment compared with their matched controls.²⁵ Such limitations cast doubt on the validity of the reported findings regarding both the timing of hospice enrollment to maximize savings and the magnitude of those savings.

Health care reform in the past decade has sharpened the focus on increasing the value of health care and on forging effective policy to guide that process. A clearer understanding of the value of existing Medicare programs thus is required. In this study we aimed to better understand the value of Medicare hospice by examining the relationship between length of hospice enrollment and overall Medicare costs.

Specifically, we compared Medicare costs for patients receiving hospice care to those of patients not receiving hospice care across four different periods of hospice enrollment: 1-7, 8-14, and 15-30 days before death, the most common enrollment periods, and 53-105 days before death. In addition, we investigated both the source of hospice-related savings, if any, such as decreased hospital admissions and fewer hospital and intensive care unit days, and the impact of hospice on selected measures of quality of care at the end of life, including thirty-day readmission rates and in-hospital death rates.

We used the rich survey data from the Health and Retirement Study, in combination with individual Medicare claims, and adjusted for previously unmeasured factors known to influence costs, such as functional status and social characteristics. These analyses revealed that net savings to Medicare are not limited to hospice enrollment 53-105 days prior to death but are also observed across the most common enrollment periods: 1-7, 8-14, and 15-30 days before death.

Study Data And Methods

We examined data from the Health and Retirement Study, a longitudinal survey administered to a nationally representative cohort of adults over age fifty. Serial interviews are conducted every two years and include information on participants' demographic, economic, social, and functional characteristics. Each interview cycle, participants who died since the last interview are identified, and dates of death are drawn from the National Death Index. More than 80 percent of participants provided authorization to merge their survey data with Medicare claims,^{26,27} a necessary step in the present analysis.

Sample

We sampled all survey participants who died during 2002-08. We included those age sixty-five or older who had continuous Medicare Parts A and B coverage for twelve months prior to death, while excluding those enrolled with Medicare managed care (for whom claims data were therefore incomplete). This methodology yielded a final sample of 3,069 people, both enrolled and not enrolled in Medicare hospice prior to death.

For the analyses of each enrollment period, we also excluded those who enrolled in hospice prior to the study outcome period (7, 14, 30, and 105 days, respectively) and those whose final predeath interview took place within the study period.

Measures

We categorized periods of enrollment in Medicare hospice before death based on the number of days prior to death that enrollment occurred, as follows: 53-105 days (the period expected to maximize reduction in Medicare spending),²³ 15-30 days, 8-14 days, and 1-7 days. For each period, the primary outcome was total Medicare spending measured from the beginning of the enrollment period to death.

We adjusted expenditures for inflation (2008 dollars) and for geographic differences in Medicare prices. We also examined six other measures of care utilization: hospital admissions, hospital and intensive care unit days, intensive care unit admission (any or none), thirty-day hospital readmission (any or none), and in-hospital death.

We selected independent variables based on our conceptual framework, "Determinants of Treatment Intensity for Patients with Serious Illness," which postulates that treatment intensity is influenced by both regional and patient or family determinants.²⁴ We selected variables that could serve as empirical measures of each construct in the conceptual model: age; sex; race or ethnicity; education; net worth; marital status; insurance coverage; functional status; residential status; medical conditions; and regional supply of hospital beds, specialist physicians, and local hospital care intensity.

Variables were drawn from Health and Retirement Study data, individual Medicare claims, and the *Dartmouth Atlas of Health Care*.²⁹ Additional details are provided in the online Appendix.³⁰

Statistical Analyses

We employed doubly robust methods combining propensity score matching and regression adjustment.³¹ We first determined hospice enrollment in relation to date of death from individual Medicare hospice claims. For each enrollment period, we then developed propensity scores for hospice and nonhospice patients to estimate each subject's likelihood of hospice enrollment during the specified period.

We used logistic regression to estimate the likelihood of hospice enrollment using all of the independent variables, described above, that may be associated with treatment intensity. Additionally, we included as a covariate the number of hospital days prior to the target hospice enrollment period up to six months before death, to account for prior utilization as a predictor of subsequent utilization.

We then matched hospice enrollees to one or many nonhospice controls within ± 0.02 of the standard deviation of the propensity scores. Unmatched subjects were excluded. This procedure was completed for each enrollment period, resulting in the following sample sizes: 1,801 (1-7 days), 1,506 (8-14 days), 1,749 (15-30 days), and 1,492 (53-105 days).

We examined bivariate comparisons of unadjusted measures of spending and use, as well as patient characteristics, using the matched, weighted samples. We then conducted multivariable regressions for each of the outcome measures, once again adjusting for all independent variables.

Following the estimation of each fully adjusted regression, we examined the adjusted means, including 95 percent confidence intervals, and incremental effects in outcomes between groups of hospice enrollees and matched nonhospice controls. Additional details are provided in the online Appendix.³⁰ Analyses were conducted using the statistical analysis software Stata, version 11.

Limitations

Three study limitations are worth noting. First, the data are retrospective, following back from date of death—that is, we employed a mortality follow-back design. This retrospective approach artificially removed the prognostic uncertainty faced by patients and physicians when making treatment decisions. The mortality follow-back design and our inability to randomly assign patients to treatment groups may therefore have biased the results.

However, by using detailed survey data, propensity score matching procedures, and multivariable regression to adjust the results, we minimized the effect of this bias more than could have been achieved through the use of administrative claims data alone.

Second, we were unable to factor into the analysis direct measures of individual preferences and goals of care. We did, however, adjust for all available characteristics known to be potentially associated with treatment preferences, such as education, race, and debility.

Third, we were not able to fully assess quality of care, which, in combination with cost, determines value. We included among our secondary outcomes two markers of potentially low-quality care: thirty-day hospital readmission and in-hospital death. In addition, many prior studies have demonstrated high quality of and satisfaction with hospice and palliative care.^{8,13,15,32,33,36}

Study Results

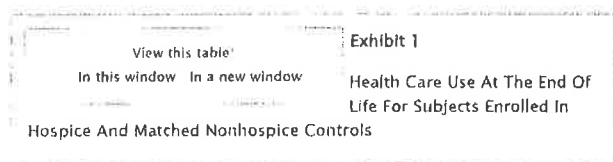
Subject Characteristics

Among the 3,069 subjects, 1,064 (35 percent) were enrolled in hospice prior to death. The mean hospice length-of-stay was 49 days (median 16 days, range 1–362 days). Patient and regional characteristics of subjects are reported in Appendix Exhibit 1.³⁰ Subjects' mean age at death was eighty-three years. Subjects were predominantly non-Hispanic white (80 percent), female (56 percent), covered by supplemental private insurance (50 percent), and educated through high school or beyond (58 percent). Fifty-eight percent reported needing no assistance with basic activities of daily living leading up to the study period, while 21 percent resided in a nursing home. Twenty-three percent were eligible for both Medicare and Medicaid.

Hospice Enrollment For 53–105 Days

Eighty-eight (70 percent) subjects enrolled in hospice for 53–105 days prior to death were matched to 1,404 decedents not enrolled in hospice for 53 days or more prior to death. There were no significant differences in patient or regional characteristics between the two groups (Appendix Exhibit 2).³⁰

In fully adjusted analyses of outcomes spanning the last 105 days of life, subjects enrolled in hospice for 53–105 days prior to death had significantly lower mean total Medicare expenditures than matched controls (\$22,083 versus \$24,644, $p < 0.01$) (Exhibit 1). Hospice enrollees during this period also had fewer hospital admissions, intensive care unit admissions, hospital days, thirty-day hospital readmissions, and in-hospital deaths (all $p < 0.01$) compared to nonhospice enrollees. Differences between the groups' total intensive care unit days were not significant in the fully adjusted model ($p = 0.11$). Additional details are provided in Appendix Exhibit 3.³⁰



Hospice Enrollment For 15–30 Days

One hundred thirty-three (80 percent) subjects enrolled in hospice for 15–30 days prior to death were matched to 1,616 decedents not enrolled in hospice for 15 days or more prior to death. There were no significant differences in patient or regional characteristics between the two groups (Appendix Exhibit 4).³⁰

In fully adjusted analysis of outcomes spanning the last thirty days of life, subjects enrolled in hospice for fifteen to thirty days prior to death had significantly lower average total Medicare expenditures than matched controls (\$10,383 versus \$16,814, $p < 0.01$) (Exhibit 1). Those enrolled in hospice during this period also had fewer hospital admissions, intensive care unit admissions, hospital days, intensive care unit days, thirty-day hospital readmissions, and in-hospital deaths (all $p < 0.05$). Additional details are provided in Appendix Exhibit 5.³⁰

Hospice Enrollment For 8–14 Days

Ninety (70 percent) subjects enrolled in hospice for 8–14 days prior to death were matched to 1,416 decedents not enrolled in hospice for 8 days or more days prior to death. Again, we found no significant differences in patient or regional characteristics between the two groups (Appendix Exhibit 6).³⁰

In fully adjusted analysis of outcomes spanning the last fourteen days of life, subjects enrolled in hospice for eight to fourteen days prior to death had significantly lower average total Medicare expenditures than matched controls (\$5,698 versus \$10,738, $p < 0.01$) (Exhibit 1). Once again, we found that those enrolled in hospice during this period also had fewer hospital admissions, intensive care unit admission, hospital days, and in-hospital deaths (all $p < 0.01$).

The hospice group had fewer intensive care unit days than the nonhospice group, but this difference did not reach statistical significance ($p = 0.11$). Additional details are provided in Appendix Exhibit 7.³⁰

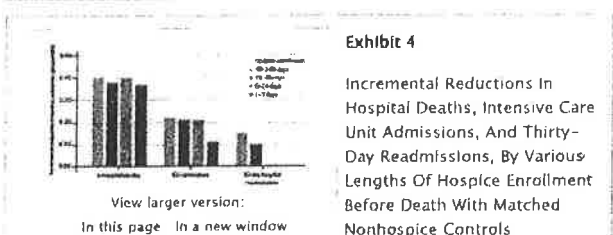
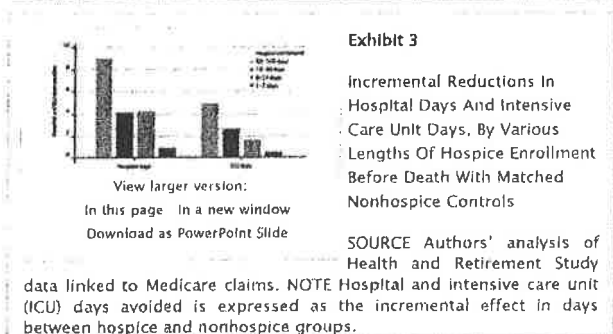
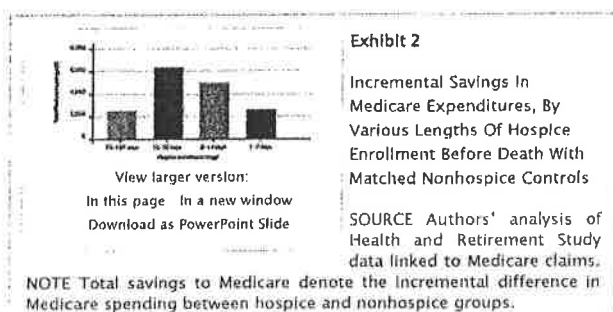
Hospice Enrollment For 1–7 Days

Three hundred eight (80 percent) subjects enrolled in hospice for 1–7 days prior to death were matched to 1,493 decedents not enrolled in hospice for 7 days or more prior to death. There were no significant differences in patient or regional characteristics between the two groups (Appendix Exhibit 8).³⁰

In fully adjusted analysis of outcomes spanning the last seven days of life, subjects enrolled in hospice for one to seven days prior to death had significantly lower average total Medicare expenditures than matched controls (\$4,806 versus \$7,457, $p < 0.01$) (Exhibit 1). Consistent with those patterns observed in other enrollment periods, those enrolled in hospice during this period also had fewer hospital admissions, intensive care unit admissions, hospital days, intensive care unit days, and in-hospital deaths (all $p < 0.01$).

Comparing Outcomes Across Hospice Enrollment Periods

Exhibits 2–4 compare the incremental effects in outcomes between subjects enrolled in hospice and nonhospice matched controls across the study periods. The adjusted savings in total Medicare spending ranged from \$2,561 for those enrolled 53–105 days prior to death to \$6,430 for those enrolled 15–30 days (Exhibit 2).



Download as PowerPoint Slide

SOURCE Authors' analysis of Health and Retirement Study data linked to Medicare claims.

NOTES Incremental reduction in various outcomes (in-hospital deaths, ICU admissions, and thirty-day hospital readmissions) is expressed as the incremental effect in proportion between hospice and nonhospice groups. ICU is intensive care unit.

The adjusted decrease in total hospital days ranged from 9.0 for those enrolled 53–105 days prior to death to 0.9 for those enrolled 1–7 days, and the decrease in intensive care unit days ranged from 4.9 for those enrolled 53–105 days to 0.5 days for those enrolled 1–7 days (Exhibit 3). The adjusted reduction in in-hospital deaths was similar across groups, and the adjusted reductions in intensive care unit admissions and thirty-day hospital readmissions were largest for those enrolled for 53–105 days (Exhibit 4).

Discussion

Medicare costs for patients enrolled in hospice were significantly lower than those of nonhospice enrollees across all periods studied: 1–7 days, 8–14 days, and 15–30 days, the most common enrollment periods prior to death, as well as 53–105 days, the period previously shown to maximize Medicare savings.²³

In addition, reductions in the use of hospital services at the end of life both contribute to these savings and potentially improve quality of care and patients' quality of life. Specifically, hospice enrollment was associated with significant reductions in hospital and intensive care unit admissions, hospital days, and rates of thirty-day hospital readmission and in-hospital death.

Evidence Of Medicare Savings

Our results not only are consistent with prior studies for Medicare spending, but they also strengthen this evidence by replicating the results within a sample more thoroughly matched for individual health, functional, and social characteristics, as well as regional factors. Finding no difference between the hospice and control groups' preenrollment health care use is evidence of this improved match, as compared to prior work.²³

Specifically, Taylor and colleagues reported a maximum reduction in Medicare spending among patients enrolled in hospice for 53–105 days prior to death.²³ We found Medicare savings among this group, too, but we also found a similar level of savings among those enrolled for 1–7 days and increased savings among those enrolled for 8–30 days prior to death. Furthermore, we demonstrated parallel reductions in hospital and intensive care unit use, hospital readmissions, and in-hospital death.

Increasing Value Through Medicare Hospice

These findings, albeit limited to enrollment up to 105 days, are of particular importance because they suggest that investment in the Medicare hospice benefit translates into savings overall for the Medicare system. For example, if 1,000 additional beneficiaries enrolled in hospice for 15–30 days prior to death, Medicare could save more than \$6.4 million, while those beneficiaries would be spared 4,100 hospital days. Alternatively, if 1,000 additional beneficiaries enrolled in hospice for 53–105 days before death, the overall savings to Medicare would exceed \$2.5 million.

Although our findings suggest that hospice enrollment results in savings to the Medicare program across a number of different lengths-of-stay, this work also highlights several areas for future research.

First, because of the limitations of our data set, we were unable to precisely determine the point at which hospice approaches usual care in terms of costs. Future studies will be needed to address this question.

Second, our data were also not able to identify the differential effects of hospice on specific diagnoses. This is of particular importance given the recent growth of for-profit hospices, which typically enroll more patients with noncancer diagnoses (and longer average lengths-of-stay) compared to not-for-profit programs.

We found that net Medicare savings for patients with longer lengths-of-stay are lower because of the per diem cost of hospice services. However, we note that if 1,000 additional beneficiaries enrolled in hospice for 53–105 days before death, these beneficiaries could avoid 9,000 hospital days at the end of life. Indeed, our

findings suggest that substantial reduction in hospital days—a primary goal of health care reform—is achieved regardless of the length of hospice enrollment.

Finally, our findings cannot be extrapolated to novel models of health care delivery or reimbursement, such as the integration of hospice programs into accountable care organizations or graded per diem payment systems, higher reimbursement for earlier and later days of enrollment, and lower reimbursement for the middle days.^{20,37} The ability of these models to achieve savings while maintaining or improving quality is unclear and must be evaluated.

Barriers To Timely Hospice Enrollment

Our results, when taken together with those of prior studies, suggest that hospice increases value by improving quality and reducing costs for Medicare beneficiaries at the end of life. Yet aggressive efforts to curtail Medicare hospice spending, including the Office of Inspector General's investigation of hospices that enroll patients with late-stage diseases but unpredictable prognoses, are ongoing.

Our findings suggest that these efforts may be misguided. Indeed, this study reveals that savings are present for both cancer patients and noncancer patients and that reductions in the use of hospital services and numbers of hospital days, hospital admissions, and hospital deaths appear to grow as the period of hospice enrollment lengthens within the observed study period (up to 105 days). These outcomes not only are less costly but also have all been associated with higher quality of care and increased concordance with patients' preferences.

Although sample-size limitations prevented us from examining enrollment beyond 105 days, the trend in our data and the projections by Taylor and colleagues support the idea that efforts to curtail hospice enrollment may actually increase use and spending overall. Instead of working to reduce Medicare hospice spending and creating a regulatory environment that discourages continued growth in hospice enrollment, the Centers for Medicare and Medicaid Services should focus on ensuring that patients' preferences are elicited earlier in the course of their diseases and that those who want hospice care receive timely referral.

An additional barrier to timely hospice referral may be limited knowledge or misconceptions regarding hospice and palliative care.³⁸ In particular, the hospice requirement to forgo curative treatments—even if they might not be beneficial—may be difficult for patients and families to accept or prompt fears of health care rationing. Because some treatments may be used for both curative and palliative purposes, this regulation and the variability with which hospice providers interpret it may also cause clinicians to be uncertain about hospice eligibility.³⁹

Several recent state and federal policy initiatives are designed to promote patient-centered care, specifically by increasing palliative care education among all health professionals and requiring that clinicians apprise patients of palliative treatment options early in the course of a serious illness.^{40–42} Such efforts to elucidate patients' preferences and values early may increase timely referral to hospice.

Finally, highly specialized and fragmented care may also present a barrier to hospice access, particularly for patients with the most complex and highest-cost illnesses: those 5 percent of patients, many in their last year of life, who account for nearly half of the nation's health care spending.^{1–3} Not only is care for this group characterized by costly hospital-based treatment, but it is also often highly fragmented and of poor quality, particularly among those who are dually eligible for Medicare and Medicaid.⁴³ Although many demonstration projects seek to address this concern,⁴³ few target this population's need for assistance in identifying individualized goals of care and developing comprehensive treatment plans to achieve those goals.

One such comprehensive treatment approach might be the enhancement of formal partnerships between hospital palliative care teams and hospice. Evidence from existing models that incorporate hospital palliative care services demonstrates improvement in quality indicators, heightened patient and family satisfaction, reduced hospital use, and increased rates of hospice referral.⁴⁴ These benefits may be even more substantial if formal relationships between established palliative care teams and community hospice programs were developed in order to offer a bridge to timely hospice enrollment.

Conclusion

Hospice enrollment during the longer period of 53–105 days prior to death and the most common period within 30 days prior to death lowers Medicare expenditures, rates of hospital and intensive care unit use, 30-day hospital readmissions, and in-hospital death. Building upon prior studies of hospice and palliative care that have demonstrated higher quality and improved patient and family satisfaction,^{8,13,15,32,33,36} this finding suggests that hospice and palliative care are critical components in achieving greater value through health care reform: namely, improved quality and reduced costs.

Medicare should thus seek to expand access to hospice services so that hospice can contribute to its full potential to the overall value of care. To do so, substantial barriers to timely hospice enrollment must be overcome. The Centers for Medicare and Medicaid Services should abandon efforts to reduce Medicare hospice spending and delay hospice enrollment and should instead focus on ensuring that people who want hospice care receive timely referral.

Within the current Medicare hospice benefit, several approaches may expand access and increase appropriate and timely referral to hospice. These approaches include formalized partnerships between hospital palliative care programs and community hospice programs and the promotion of patient-centered care by educating patients, families, and physicians about the availability and benefits of hospice and palliative care services.

Finally, ongoing demonstration projects and novel models of health care delivery and reimbursement should place a high priority on the rigorous evaluation of hospice service use and its impact on the value of care.

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ABOUT THE AUTHORS: AMY S. KELLEY, PARTHA DEB, QINGLING DU, MELISSA D. ALDRIDGE CARLSON & R. SEAN MORRISON

In this month's *Health Affairs*, Amy Kelley and coauthors report on their study examining Medicare costs for hospice patients enrolled for different lengths-of-stay, ranging from 1 day to 105 days. Using data from the Health and Retirement Study and individual Medicare claims, they found savings for Medicare across all lengths-of-stay examined. Hospice patients also had less hospital use than matched controls, and thus a higher quality of life. The authors argue that instead of attempting to limit Medicare hospice participation for fear of not seeing savings, the Centers for Medicare and Medicaid Services should focus on ensuring the timely enrollment of qualified patients who desire the benefit.

Kelley is an assistant professor in the Brookdale Department of Geriatrics and Palliative Medicine, Icahn School of Medicine at Mount Sinai, and is a board-certified physician in internal medicine, geriatric medicine, and palliative medicine. Her research focuses on improving the quality of care for older adults with serious medical illness. She is particularly interested in regional practice variations and the relationship between patient characteristics and treatment intensity.

In 2012 Kelley was selected for the Paul B. Beeson Career Development Award in Aging Research from the National Institute on Aging and won the American Geriatrics Society's best paper award in geriatrics research. Kelley earned a master's degree in health services from the University of California, Los Angeles, and a medical degree from Cornell University.

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Hospice Enrollment Saves Money for Medicare and Improves Care Quality
Across A Number of Different Lengths-Of-Stay

New research out of Mount Sinai's Icahn School of Medicine, published in the March 2013 issue of *Health Affairs*, found that hospice enrollment saves money for Medicare and improves care quality for Medicare beneficiaries with a number of different lengths of services. The National Hospice and Palliative Care Organization and the Hospice Action Network applaud this study that adds to a growing body of researching demonstrating the value of hospice care both in terms of high quality and cost savings.

Context

"Health care reform in the past decade has sharpened the focus on increasing the value of health care and on forging effective policy to guide that process. A clearer understanding of the value of existing Medicare programs thus is required. In this study we aimed to better understand the value of Medicare hospice by examining the relationship between length of hospice enrollment and overall Medicare costs."

Key Points

"Our results, when taken together with those of prior studies, suggest that hospice increases value by improving quality and reducing costs for Medicare beneficiaries at the end of life."

- Savings found in every enrollment period tested; 1-7, 8-14, 15-30, and 53-105 days of care.

"These findings, albeit limited to enrollment up to 105 days, are of particular importance because they suggest that investment in the Medicare hospice benefit translates into savings overall for the Medicare system."

- Reduction in hospital admissions and days, ICU admissions and days, 30 day hospital re-admissions and in-hospital deaths seen in every enrollment period tested.

"Indeed, our findings suggest that substantial reduction in hospital days—a primary goal of health care reform—is achieved regardless of the length of hospice enrollment."

- Efforts by government regulators to curtail Medicare hospice spending could be misguided.

“Yet aggressive efforts to curtail Medicare hospice spending, including the Office of Inspector General’s investigation of hospices that enroll patients with late-stage diseases but unpredictable prognoses, are ongoing. “Our findings suggest that these efforts may be misguided. Indeed, this study reveals that savings are present for both cancer patients and noncancer patients and that reductions in the use of hospital services and numbers of hospital days, hospital admissions, and hospital deaths appear to grow as the period of hospice enrollment lengthens within the observed study period (up to 105 days). These outcomes not only are less costly but also have all been associated with higher quality of care and increased concordance with patients’ preferences.”

- Authors point to the 2007 Duke University Study, lead by Donald H. Taylor and colleagues, for additional support.

“Although sample-size limitations prevented us from examining enrollment beyond 105 days, the trend in our data and the projections by Taylor* and colleagues support the idea that efforts to curtail hospice enrollment may actually increase use and spending overall. Instead of working to reduce Medicare hospice spending and creating a regulatory environment that discourages continued growth in hospice enrollment, the Centers for Medicare and Medicaid Services should focus on ensuring that patients’ preferences are elicited earlier in the course of their diseases and that those who want hospice care receive timely referral.”

***Relevant Points from the 2007 Duke University Study**

- The research by Taylor and colleagues also quantified that hospice saves Medicare money.

The Duke study found “...that hospice reduced Medicare program expenditures by an average of \$2,309 per hospice user.”

- Taylor found that while hospices began by primarily serving cancer patients, the Hospice Medicare Benefit saves money for cancer and non-cancer patients.

“The use of hospice decreased Medicare expenditures for cancer patients until the 233rd day of care and until the 153rd day of care for non-cancer patients.”

- Taylor and colleagues also suggested that there should be a focus on lengthening the time patients received hospice care services.

“Increasing length of hospice use by just three days would increase savings due to hospice by nearly 10 percent, from around \$2,300 to \$2,500 per hospice user.”

**Attachment C-Need-1
Hospice Need Spreadsheet**

A

Hospice Patients Served

2011 2010 Mean

Anderson	401	416	409
Bedford	162	100	131
Benton	88	89	89
Bledsoe	47	50	49
Blount	533	572	553
Bradley	451	429	440
Campbell	77	174	126
Cannon	41	34	38
Carroll	227	221	224
Carter	300	273	287
Cheatham	173	171	172
Chester	53	40	47
Claiborne	80	103	92
Clay	19	19	19
Cocke	237	183	210
Coffee	253	173	213
Crockett	59	54	57
Cumberland	342	315	329
Davidson	3,656	3,540	3,598
Decatur	45	51	48
DeKalb	87	67	77
Dickson	322	298	310
Dyer	183	177	180
Fayette	121	139	130
Fentress	23	36	30
Franklin	281	250	266
Gibson	335	316	326
Giles	149	131	140
Grainger	90	90	90
Greene	526	470	498
Grundy	95	70	83
Hamblen	315	297	306

B

Hospice

Penetr

Rate

Total Deaths	Mean	891
Anderson	891	0.458
Bedford	429	0.305
Benton	237	0.373
Bledsoe	126	0.385
Blount	1,258	0.439
Bradley	917	0.480
Campbell	499	0.252
Cannon	156	0.240
Carroll	405	0.554
Carter	626	0.458
Cheatham	348	0.495
Chester	177	0.263
Claiborne	389	0.235
Clay	111	0.171
Cocke	424	0.496
Coffee	611	0.349
Crockett	176	0.322
Cumberland	710	0.463
Davidson	4,890	0.736
Decatur	164	0.294
DeKalb	228	0.338
Dickson	490	0.633
Dyer	418	0.431
Fayette	335	0.389
Fentress	219	0.135
Franklin	460	0.577
Gibson	677	0.481
Giles	344	0.408
Grainger	254	0.354
Greene	836	0.596
Grundy	195	0.423
Hamblen	688	0.445

at 80%

Shows

Need

of

Pts

Anderson	no	
Bedford	yes	2
Benton	no	
Bledsoe	no	
Blount	no	
Bradley	no	
Campbell	yes	30
Cannon	yes	11
Carroll	no	
Carter	no	
Cheatham	no	
Chester	yes	8
Claiborne	yes	29
Clay	yes	16
Cocke	no	
Coffee	no	
Crockett	no	
Cumberland	no	
Davidson	yes	3
Decatur	no	
DeKalb	no	
Dickson	no	
Dyer	no	
Fayette	no	
Fentress	yes	39
Franklin	no	
Gibson	no	
Giles	no	
Grainger	no	
Greene	no	
Grundy	no	
Hamblen	no	

at 75%

Shows

Need

of

Pts

Anderson	no	
Bedford	no	
Benton	no	
Bledsoe	no	
Blount	no	
Bradley	no	
Campbell	yes	20
Cannon	yes	8
Carroll	no	
Carter	no	
Cheatham	no	
Chester	yes	5
Claiborne	yes	22
Clay	yes	13
Cocke	no	
Coffee	no	
Crockett	no	
Cumberland	no	
Davidson	no	
Decatur	no	
DeKalb	no	
Dickson	no	
Dyer	no	
Fayette	no	
Fentress	no	
Franklin	yes	34
Gibson	no	
Giles	no	
Grainger	no	
Greene	no	
Grundy	no	
Hamblen	no	

at 70%

Shows

Need

of

Pts

Anderson	no	
Bedford	no	
Benton	no	
Bledsoe	no	
Blount	no	
Bradley	no	
Campbell	yes	10
Cannon	yes	5
Carroll	no	
Carter	no	
Cheatham	no	
Chester	yes	2
Claiborne	yes	14
Clay	yes	11
Cocke	no	
Coffee	no	
Crockett	no	
Cumberland	no	
Davidson	no	
Decatur	no	
DeKalb	no	
Dickson	no	
Dyer	no	
Fayette	no	
Fentress	no	
Franklin	yes	30
Gibson	no	
Giles	no	
Grainger	no	
Greene	no	
Grundy	no	
Hamblen	no	

B

2011 Deaths

Total 0-17 18-64 65+

Anderson	856	11	200	645
Bedford	447	10	141	296
Benton	244	1	67	176
Bledsoe	128	1	53	74
Blount	1,237	14	310	913
Bradley	923	12	259	652
Campbell	481	2	158	321
Cannon	160	2	41	117
Carroll	429	5	105	319
Carter	622	7	154	461
Cheatham	357	5	125	227
Chester	176	3	48	125
Claiborne	425	4	142	279
Clay	116	0	39	77
Cocke	446	4	157	285
Coffee	628	6	174	448
Crockett	179	1	45	133
Cumberland	736	9	189	538
Davidson	4,826	94	1,538	3,194
Decatur	156	2	33	121
DeKalb	221	1	76	144
Dickson	502	2	165	335
Dyer	428	10	136	282
Fayette	304	6	88	210
Fentress	213	2	85	126
Franklin	468	3	119	346
Gibson	677	12	187	478
Giles	359	2	112	245
Grainger	250	4	84	162
Greene	852	7	252	593
Grundy	203	1	76	126
Hamblen	671	8	187	476

B

2010 Deaths

Total 65+ 18-64 0-17

Anderson	926	675	240	11
Bedford	411	290	113	8
Benton	230	145	81	4
Bledsoe	124	88	34	2
Blount	1,278	902	364	12
Bradley	911	622	282	7
Campbell	517	360	154	3
Cannon	152	98	52	2
Carroll	380	292	87	1
Carter	630	454	166	10
Cheatham	338	213	117	8
Chester	177	124	51	2
Claiborne	353	230	118	5
Clay	106	71	33	2
Cocke	401	277	123	1
Coffee	593	436	145	12
Crockett	172	122	47	3
Cumberland	684	496	180	8
Davidson	4,954	3,342	1,504	108
Decatur	171	126	44	1
DeKalb	234	150	83	1
Dickson	477	320	146	11
Dyer	408	292	109	7
Fayette	365	251	105	9
Fentress	225	136	85	4
Franklin	452	343	107	2
Gibson	676	493	175	8
Giles	328	235	89	4
Grainger	258	176	81	1
Greene	819	560	252	7
Grundy	207	126	60	1
Hamblen	705	513	185	7

2013 JUN 10 PM 3:53

Hamilton	2,758	2,293	2,526	3,210	0.787	no	6	no	no	2	no	3,317	58	906	2,353	3,102	2,200	848	54
Hancock	27	23	25	99	0.254	yes	2	yes	4	yes	2	106	1	39	66	91	58	30	3
Hardeman	85	94	90	294	0.305	yes	2	no	no	no	no	292	8	100	184	295	196	97	2
Hardin	96	73	85	329	0.257	yes	18	yes	11	yes	5	341	4	103	234	316	224	86	6
Hawkins	276	262	269	650	0.414	no	no	no	no	no	no	681	11	185	485	619	426	186	7
Haywood	65	71	68	188	0.363	no	no	no	no	no	no	182	3	65	114	193	137	51	5
Henderson	107	101	104	306	0.340	no	no	no	no	no	no	299	4	103	192	312	222	88	2
Henry	171	176	174	447	0.388	no	no	no	no	no	no	441	7	114	320	453	334	111	8
Hickman	118	84	101	262	0.385	no	no	no	no	no	no	274	2	91	181	250	176	69	5
Houston	40	33	37	102	0.360	no	no	no	no	no	no	106	2	29	75	97	71	26	0
Humphreys	62	42	52	226	0.231	yes	18	yes	14	yes	9	240	4	58	178	211	155	53	3
Jackson	27	25	26	140	0.186	yes	17	yes	15	yes	12	135	0	41	94	144	98	46	0
Jefferson	263	273	268	555	0.483	no	no	no	no	no	no	563	10	161	392	546	388	150	8
Johnson	83	75	79	187	0.422	no	no	no	no	no	no	183	2	52	129	191	132	58	1
Knox	2,208	1,961	2,085	3,962	0.526	no	no	no	no	no	no	3,980	47	1,135	2,798	3,944	2,761	1,136	47
Lake	24	25	25	97	0.254	yes	6	yes	4	yes	2	104	0	35	69	89	68	20	1
Lauderdale	108	106	107	263	0.408	no	no	no	no	no	no	259	5	100	154	266	193	65	8
Lawrence	179	171	175	475	0.368	no	no	no	no	no	no	476	5	124	347	474	347	118	9
Lewis	42	47	45	139	0.321	no	no	no	no	no	no	144	0	37	107	133	97	35	1
Lincoln	116	93	105	388	0.269	yes	16	yes	9	yes	1	380	6	88	286	396	305	83	8
Loudon	275	207	241	512	0.471	no	no	no	no	no	no	525	4	139	382	498	374	118	6
McMinn	306	306	306	628	0.487	no	no	no	no	no	no	632	4	194	434	624	437	181	6
McNairy	114	96	105	338	0.311	yes	0	no	no	no	no	307	2	93	212	369	252	115	2
Macon	36	44	40	247	0.162	yes	37	yes	32	yes	27	252	1	79	172	242	151	87	4
Madison	487	450	469	879	0.533	no	no	no	no	no	no	843	19	233	591	915	642	257	16
Marion	135	161	148	314	0.471	no	no	no	no	no	no	311	3	108	200	317	229	83	5
Marshall	139	114	127	318	0.398	no	no	no	no	no	no	329	3	119	207	306	217	84	5
Maury	390	385	388	743	0.522	no	no	no	no	no	no	760	7	195	558	726	484	229	13
Meigs	68	63	66	155	0.424	no	no	no	no	no	no	138	0	50	88	171	109	60	2
Monroe	185	176	181	501	0.360	no	no	no	no	no	no	509	6	166	337	493	358	129	6
Montgomery	498	503	501	1,037	0.483	no	no	no	no	no	no	1,023	24	322	677	1,051	642	369	40
Moore	11	13	12	67	0.179	yes	9	yes	8	yes	6	72	0	15	57	62	47	14	1
Morgan	56	31	44	221	0.197	yes	25	yes	21	yes	16	210	4	57	149	231	152	75	4
Obion	188	159	174	378	0.459	no	no	no	no	no	no	406	4	100	302	350	258	86	6
Overton	54	50	52	262	0.198	yes	29	yes	24	yes	19	259	2	83	174	265	188	76	1
Perry	21	22	22	96	0.224	yes	8	yes	6	yes	5	102	0	31	71	90	63	24	3

Pickett	12	6	9	62	0.145	yes	10	9	8	75	0	16	59	49	40	8	1
Polk	103	83	93	206	0.453	no		no	no	209	4	63	142	202	147	52	3
Putnam	331	320	326	677	0.481	no		no	no	687	8	179	500	667	497	164	6
Rhea	178	162	170	340	0.500	no		no	no	331	8	96	227	349	239	110	0
Roane	264	256	260	675	0.385	no		no	no	661	9	198	454	688	494	189	5
Robertson	315	335	325	590	0.551	no		no	no	616	8	183	425	564	385	169	10
Rutherford	783	753	768	1,569	0.490	no		no	no	1,591	28	491	1,072	1,546	982	528	36
Scott	24	41	33	246	0.132	yes	44	39	34	272	4	107	161	220	154	61	5
Sequatchie	98	107	103	145	0.709	no		no	no	146	1	40	105	143	94	46	3
Sevier	403	358	381	877	0.434	no		no	no	855	7	261	587	899	601	287	11
Shelby	3,843	3,382	3,613	7,431	0.486	no		no	no	7,401	192	2,541	4,668	7,460	4,765	2,503	192
Smith	36	39	38	222	0.169	yes	31	27	23	225	0	69	156	218	158	58	2
Stewart	63	49	56	163	0.345	no		no	no	166	2	51	113	159	110	47	2
Sullivan	1,280	1,293	1,287	1,945	0.662	no		no	no	1,975	22	450	1,503	1,914	1,405	490	19
Sumner	682	645	664	1,288	0.515	no		no	no	1,319	24	382	913	1,256	867	360	29
Tipton	189	179	184	498	0.370	no		no	no	501	6	156	339	494	331	150	13
Trousdale	25	15	20	91	0.220	yes	8	7	5	83	3	23	57	99	67	28	4
Unicoi	246	191	219	252	0.869	no		no	no	254	2	58	194	249	183	61	5
Union	26	87	57	188	0.301	yes	2	0	no	208	3	77	128	167	106	58	3
Van Buren	16	18	17	59	0.291	yes	1		no	58	1	21	36	59	39	18	2
Warren	200	220	210	475	0.443	no		no	no	484	7	138	339	465	339	122	4
Washington	767	725	746	1,261	0.592	no		no	no	1,305	13	354	938	1,217	877	332	8
Wayne	69	57	63	174	0.362	no		no	no	169	1	50	118	179	131	46	2
Weakley	151	128	140	366	0.381	no		no	no	375	6	101	268	357	270	82	5
White	125	102	114	341	0.333	no		no	no	362	1	103	258	320	209	108	3
Williamson	576	555	566	952	0.594	no		no	no	965	13	207	745	939	720	205	14
Wilson	498	440	469	876	0.535	no		no	no	908	12	282	614	844	563	261	20
Total	30,892	28,702	29,797	59,650	0.500		425	331	247	60,102	898	17,792	41,412	59,197	40,922	17,298	977
Median					0.389												
80% of Median					0.311												
75% of median					0.291												
70% of median					0.272												

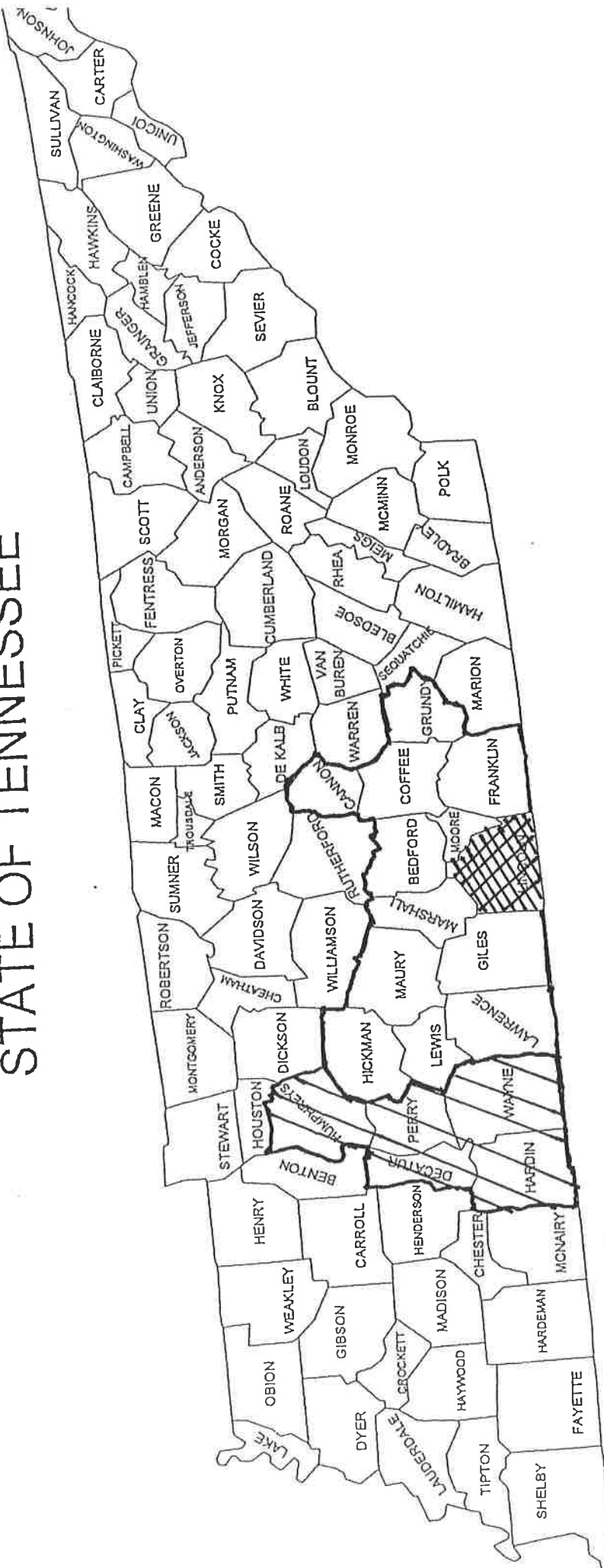
Source: 2010-11 JAR 2009-10 JAR




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**Attachment C-Need-3
Service Area Map**

STATE OF TENNESSEE

2013 JUN 10 PM 3: 53



-  Existing Service Area
-  Application Pending
-  Proposed Service Area

**Attachment C, Economic Feasibility-2
Funding Letter**

May 13, 2013

Ms. Melanie Hill
Executive Director
Health Services & Development Agency
Suite 850
500 Deaderick Street
Nashville, Tennessee 37243

Re: Certificate of Need Application for Community Hospices of America – Tennessee, LLC.

Dear Ms. Hill;

As an Executive of Community Hospices of America – Tennessee, LLC., a wholly owned subsidiary of CLP Healthcare Services, Inc., with corporate responsibilities in the finance areas of company operations, I can state on behalf of CLP Healthcare Services, Inc. that the organization supports the CON application by Community Hospices of America – Tennessee, LLC, a Tennessee hospice, for the addition of Wayne, Perry, Decatur, Hardin and Humphrey's Counties to its hospice service area.

The estimated costs to complete the project are \$63,000. I, as the Chief Financial Officer of CLP Healthcare Services, Inc., affirm that Hospice Compassus has sufficient cash reserves to fund this project upon the approval of the CON application by the appropriate authorities in Tennessee.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tony James', with a stylized flourish at the end.

Tony James
Chief Financial Officer

Attachment C, Economic Feasibility-10
Balance Sheet / Bank Letter

Balance Sheet Highlights

	December 31	
	2012	2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,942,663	\$ 13,182,631
Accounts receivable from patient services	17,517,071	14,316,569
Other current assets	4,096,513	2,160,473
Total current assets	<u>28,556,247</u>	<u>29,659,673</u>
Property and equipment, net	6,205,013	5,754,705
Goodwill	137,073,587	126,956,637
Intangible assets, net	2,006,515	2,423,766
Other assets	1,277,933	1,635,078
Total assets	<u>\$ 175,119,295</u>	<u>\$ 166,429,859</u>
Liabilities and stockholders' equity		
Current liabilities	21,618,474	15,669,827
Long-term debt, less current maturities	69,734,208	74,570,609
Other noncurrent liabilities	1,469,841	1,469,841
Total liabilities	<u>92,822,523</u>	<u>91,710,277</u>
Total stockholders' equity	82,296,772	74,719,582
Total liabilities and stockholders' equity	<u>\$ 175,119,295</u>	<u>\$ 166,429,859</u>



April 25, 2013

Community Hospices of America, Inc.
Kerry Massey
Vice President & Corporate Controller
12 Cadillac Dr. Suite 360
Brentwood, TN 37027-5361

To Whom It May Concern:

Mr. Massey:

Per your request please find below the 2012 month ending cash balances:

March 2012	\$3,314,650.87
June 2012	\$3,618,584.18
September 2012	\$3,991,274.95
December 2012	\$8,166,019.79

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in cursive script that reads "Karen Crowe".

Karen Crowe
Relationship Banking Assistant
Commercial Banking Officer
Phone: 205-326-5663

**Attachment C, Contribution to the
Orderly Development of Health Care-7(d)
Licensure/Certification Inspection**



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
OFFICE OF HEALTH LICENSURE AND REGULATION
EAST TENNESSEE REGION
5904 LYONS VIEW PIKE, BLDG. 1
KNOXVILLE, TENNESSEE 37919

April 23, 2010

Mr. Steven Yeatts, Administrator
Hospice Compassus
936 N Jackson Street
Tullahoma TN 37388

Re: 44-1570, Lic #334

Dear Mr. Yeatts:

The East Tennessee Regional Office conducted a recertification survey at your facility on April 12-14, 2010. As a result of the survey, no deficient practice was found.

If our office may be of assistance to you, please feel free to call (865) 588-5656.

Sincerely,

Faye Vance, R.N., B.S., M.S.N.
Public Health Nurse Consultant Manager

FV/dt

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

2013 JUN 10 PM 3: 04

PRINTED: 04/15/2010
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 441570	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 04/14/2010
NAME OF PROVIDER OR SUPPLIER HOSPICE COMPASSUS			STREET ADDRESS, CITY, STATE, ZIP CODE 936 N JACKSON STREET TULLAHOMA, TN 37388		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
L 000	INITIAL COMMENTS During recertification survey conducted on April 12-14, 2010, at Hospice Compassus, no deficiencies were cited under 42 CFR PART 418.52 Requirements for Hospice.	L 000			

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See Instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP549334	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 04/14/2010
NAME OF PROVIDER OR SUPPLIER HOSPICE COMPASSUS			STREET ADDRESS, CITY, STATE, ZIP CODE 936 N JACKSON STREET TULLAHOMA, TN 37388		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE	
H 002	1200-8-27 No Deficiencies During Licensure survey conducted on April 12-14, 2010, at Hospice Compassus, no deficiencies were cited under 1200-8-27 Standards for Home Care Organizations Providing Hospice Services.	H 002			

Division of Health Care Facilities

TITLE

(X6) DATE

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

DATE FORM

6899

75T911

If continuation sheet 1 of 1

Proof of Publication

SUBSTITUTE TRUSTEE'S NOTICE OF FORECLOSURE SALE

Default having been made in the payment of the indebtedness and obligations secured by a certain Deed of Trust on property currently owned by CHARLES F. KNIGHT, and which Deed of Trust was executed by Charles F. Knight, to Dan Perly, Trustee for Farmers State Bank (now known as First Bank) and is recorded in the Register's Office of Hardin County, Tennessee in Record Book 286, page 259.

WHEREAS, said Trust Deed was later modified by Modification recorded in Record Book 357, Page 822, in the Register's Office of Hardin County, Tennessee.

WHEREAS, the undersigned was appointed Substitute Trustee by Instrument recorded in Record Book 579, page 314, in said Register's Office.

WHEREAS, the owner of the indebtedness has declared the total amount due and has directed the undersigned to advertise and sell the property described by said Deed of Trust.

THEREFORE, it is to give notice that I will on June 27, 2013, commencing at 10:00 p.m., at the Front Door of the Courthouse in Savannah, Hardin County, Tennessee cause to be offered for sale and will cause to be sold at public outcry to the highest and best bidder for cash, the following described property located in Hardin County, Tennessee, and more particularly described as follows, to-wit:

Said property is known as 2015 May 421, Sardin, Tennessee. For a more complete description of said property see Trust Deed recorded in Record Book 286, Page 259, in the Register's Office of Hardin County, Tennessee. Map 3, Group 1, Parcel 22.00.

Included in this Foreclosure Sale is a 1984 Late Model Home, #TWMS614788.

Interested parties include the following:

- 1) A Lien in favor of LNNV Funding LLC, assignee of HSBC Nevada Nat'l Assoc., as recorded in Record Book 553, Page 564, in the Register's Office of Hardin County, Tennessee.

All right of redemption, statutory and otherwise, and homestead are expressly waived in said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee.

The right is retained to adjourn the day of the sale to another day, time, and place certain without further publication, upon announcement at the time and place for the sale set forth above.

If the highest bidder cannot pay the bid within twenty-four (24) hours of the sale, the next highest bidder, at his/her bid, will be deemed the successful bidder.

This property is being sold with the express reservation that the sale is subject to confirmation by the lender or trustee. This sale may be rescinded at any time.

This office is a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

R. Bradley Siger
Substitute Trustee
216 West Main Street
Jackson, TN 38301
Notice: June 6, 12 and 20, 2013 (6631c)

PUBLIC NOTICE

IN THE GENERAL SESSIONS COURT OF HARDIN COUNTY, TENNESSEE

PATRICIA BRASHERS, PLAINTIFF,

VS. STEVE NORVEL WEATHERSPOON, DEFENDANT.

TO: STEVE NORVEL WEATHERSPOON

In this Cause, it appearing from the Complaint which is sworn to, that the whereabouts of the Defendant, STEVE NORVEL WEATHERSPOON, is unknown and cannot be ascertained by diligent search and inquiry made to that end, STEVE NORVEL WEATHERSPOON is therefore, hereby, required to appear and Answer the Complaint filed in this Cause against him/her in the GENERAL SESSIONS COURT OF HARDIN COUNTY, Tennessee, within thirty days of the last publication of this Notice and serve a copy of Answer on Howard F. Douglass, P.O. Box 30, Lexington, TN, 38351, Attorney for Plaintiff, within said time. If you fail to do so judgment by default will be taken against you for relief demanded in the Complaint at a hearing of the cause without further notice.

It is further Ordered that this Notice be published for four consecutive weeks in THE COURIER.

This the 10th day of May, 2013,
/s/ Diane Polk, Clerk (5304tp)

NOTICE TO CREDITORS

ESTATE OF CLEVELAND CLYDE BALENTINE

Notice is hereby given that on the 23rd day of May, 2013, Letters Testamentary (or of administration as the case may be) in respect to the estate of CLEVELAND CLYDE BALENTINE who died on May 25, 2013 were issued to the undersigned by the Chancery Court for Hardin County, Tennessee. All persons, resident and nonresident, having claims, matured or unmatured, against the estate are required to file the same with the Clerk of the above named court on or before the earlier of the dates prescribed in (1) or (2) above, their claims will be forever barred:

(1) (A) Four (4) months from the date of the first publication (or posting) of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication (or posting) as described in (1) (A); or

(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication (or posting) as described in (1) (A); or

(2) Twelve (12) months from the decedent's date of death.

This the 23rd day of May, 2013.

/s/ Linda O'Neil Baleentine, Personal Representative (662tp)

NOTICE

Southwest Human Resource Agency's Transportation Program is seeking Certified Disadvantaged Business Enterprise (DBE) Vendors to make purchases from or provide transportation related services.

If you are interested in receiving information on becoming a Certified DBE through the Tennessee Department of Transportation, please contact: TDOT, Civil Rights Office, DBE Program, 505 Deadrick Street, Suite 1800, Nashville, TN 37243-0347; Telephone 615-741-3681.

NOTICE OF SUBSTITUTE TRUSTEE'S SALE

TENNESSEE, HARDIN COUNTY. DEFAULT having been made in the terms, conditions and payments provided in certain Deed of Trust executed by Angela Usher and John Usher to Transcontinental Title Co., Trustee dated July 18, 2005 in the amount of \$79,745.00, and recorded in the Register's Office of Hardin County, Tennessee in Instrument No. 55354, Deed Book 381, Page 786-807, ("Deed of Trust"); and, the beneficial interest of said Deed of Trust having been last transferred to Owen Loan Servicing, LLC by assignment and, Owen Loan Servicing, LLC, as the current holder of said Deed of Trust (the "Holder"), has appointed as Substitute Trustee the undersigned, any of whom may act, by Instrument filed for record in the Register's Office of Hardin County, Tennessee with all the rights, powers and privilege of the original Trustee named in said Deed of Trust; therefore, NOTICE is hereby given that the entire amount of said indebtedness has been declared due and payable as provided in said Deed of Trust by the Holder, and the undersigned as Substitute Trustee, or a duly appointed attorney or agents by virtue of the power and authority vested by the Appointment of Substitute Trustee, will on

Thursday, July 18, 2013 commencing at 12pm at the North door of the Hardin County Courthouse in Savannah, TN, sell to the highest bidder for cash, immediately at the close of sale, the following property to-wit: Certain real estate located in the 3rd Civil District of Hardin County, Tennessee, and which is bounded and described as follows, to-wit:

Beginning at a point in the center line of Lonesome Pine Road, said point being the Southeast corner of John Usher property described in Record Book 291, Page 106, RHC, and being the Southeast corner of Carl Sanford property described in Record Book 250, Page 771, RHC; thence leaving said road and running with the boundary between Usher and Sanford, North 72 degrees 00 minutes 00 seconds East, passing an iron pin in the East right-of-way line of Lonesome Pine Road at 25.91 feet, continuing 8.01 feet, running at an angle of 34.02 feet to a pin; and thence North 41 degrees 11 minutes 40 seconds East, 216.00 feet to an iron pin marking the Southeast corner and line point of beginning of the property in the West line of Carl Sanford property, thence running with the West line of Sanford, South 31 degrees 09 minutes 59 seconds West, 196.57 feet to an iron pin; and thence South 41 degrees 11 minutes 40 seconds West, 207.00 feet to the point of beginning containing 1.153 acres. (Description according to David Gagle, TN ELS No. 487, dated December 29, 2002.)

Being a portion of the same property conveyed to Lillian Pratt by deed recorded in Deed Book 166, Page 570 in the Register's Office of Hardin County, Tennessee. Being the same property conveyed to John Usher and wife, Angela Usher by deed from Lillian Pratt recorded 01/09/2003 in Deed Book 295, Page 62, in the Register's Office of Hardin County, Tennessee. Parcel ID No.: 75-3-07 & 3-08 Map & Parcel No.: 75-3-07 & 3-08. PROPERTY ADDRESS: 515 Lonesome Pine Road, Savannah, Tennessee 38372. CURRENT OWNER: Angela Usher and John Usher.

SUBORDINATE LIENHOLDERS: NO OTHER INTERESTED PARTIES: NO All right and equity of redemption, statutory or otherwise, homestead, and dower are expressly waived in said Deed of Trust, and the title is believed to be good, however, the undersigned will sell and convey only as Substitute Trustee. The sale will be held subject to any unpaid taxes, assessments, rights-of-way, easements, protective covenants or restrictions, liens, and other superior matters of record which may affect said property, as well as any prior liens or encumbrances as well as a priority created by a future filing of any matter that an accurate survey of the premises might disclose. If the U.S. Department of Treasury/TREAS, the State of Tennessee Department of Revenue, or the State of Tennessee Department of Labor and Workforce Development are listed as Interested Parties in the advertisement, then the notice of this foreclosure is being given to them and the sale will be subject to the applicable governmental entities' right to redeem the property, as required by 28 U.S.C. § 7425 and T.O.A. § 67-1-1433. The sale will be conducted subject to (1) to confirmation that the sale is not prohibited under the U.S. Bankruptcy Code and (2) to the final confirmation and audit of the status of the loan with the holder of the Deed of Trust. The notice requirements of T.O.A. § 65-5-117 were satisfied prior to the first publication of the Notice of Substitute Trustee's Sale. Substitute Trustee reserves the right to adjourn the day of the sale to another day, time, and place certain without further publication, upon announcement at the time and place for the sale set forth above. MCG TN, LLC 3525 Piedmont Road NE, Six Piedmont Center, Suite 700 Atlanta, GA 30305 (404) 373-1812 www.mcgurkandco.com File No. 10-08931 RHA Ad Run Dates: 5/28/2013, 5/29/2013 and 6/03/2013 THIS LAW FIRM IS ACTING AS A DEBT COLLECTOR AND IS ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Ad #59936: 2013-05-23 2013-05-30, 2013-06-06 (52331c)

NOTICE

It is the policy of the Southwest Human Resource Agency and the Tennessee Department of Transportation to ensure 42 U.S.C. 200d "No persons in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under a program of activity receiving federal financial assistance."

PUBLIC HEARING SAVANNAH, TENNESSEE

The City of Savannah has completed the Sutton Street Drainage Improvement Project funded with CDBG Disaster funds. A public meeting will be held June 24, 2013 at 6:00 PM at the Savannah City Hall, 140 Main St., Savannah, TN. The purpose of the meeting is to discuss the project and its accomplishments. All interested residents are encouraged to attend. The Savannah City Hall is accessible to persons with disabilities. Persons with special needs who wish to attend should contact Project Manager Tom Smith at 731-925-3300 to make special arrangements. The City of Savannah does not discriminate on the basis of race, color, religion, national origin, sex, age, or disability status; and encourages minority participation in government issues. Bob Shutt Mayor

PUBLIC NOTICE

The regular scheduled meeting of the Hardin County Board of Education will be held on Monday, June 10, 2013 at 5:30 p.m. at the Educational Center located at 155 Gullin Street, Savannah, Tennessee. The public is invited to attend.

NOTICE

Pursuant to Section 67-5-506, Tennessee Code Annotated, the property assessment records of Hardin County will be available for public inspection at the Property Assessor's Office of the Hardin County Courthouse during normal business hours. Any person desiring to inspect these records may do so at the appointed time and place.

The Hardin County Board of Equalization will begin its annual session to examine and equalize the county assessments on June 17, 2013. THE BOARD WILL ACCEPT APPEALS FOR TAX YEAR 2013 ONLY UNTIL THE LAST DAY OF ITS 2013 REGULAR SESSION; WHICH WILL BE JUNE 21, 2013. The Board will meet from 8:00 A.M. to 3:30 P.M. in the Conference Room of the Hardin County Courthouse. Any owner of property who wishes to make a complaint or appeal to the County Board of Equalization must appear by appointment before said Board at this time personally or by personal appearance of an agent for the owner bearing the owner's written authorization. Failure to appear and appeal an assessment will result in the assessment becoming final without further right to appeal.

NOTICE OF INVITATION TO BID

The Hardin County Board of Education School Nutrition Program is accepting bids for ice cream and large and small equipment for the Hardin County school cafeterias during the 2013-2014 school year. Complete bid instructions and specifications are available from the School Nutrition Program Department, Hardin County Board of Education, 155 Gullin Street, Savannah, TN.

Bids must be received by 1:00 p.m. on Tuesday, June 25, 2013, at the Hardin County Board of Education. Bids are to be opened at the above address on Tuesday, June 25, 2013 at 1:00 p.m. The Hardin County Board of Education reserves the right to accept or reject any or all bids.

In accordance with Federal Law and the U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800)845-6136 (Spanish). USDA is an equal opportunity provider and employer.

NOTIFICATION OF INTENT

TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.O.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that: Hopsc Compassus-The Highland Rm, a hospice provider, Community Hospices of America-Tennessee, owned by LLC, with an ownership type of limited liability company and to be managed by itself, intends to file an application for a Certificate of Need to initiate hospice services in Decatur, Hardin, Humphreys, Perry and Wayne Counties, Tennessee. Hopsc Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties, and has applied for a Certificate of Need in Lincoln County. The cost of this project is approximately \$75,000. Hopsc Compassus-The Highland Rm's home office is located at 1805 N. Jackson St., Suites 5 and 6, Tullahoma, TN 37388.

The anticipated date of filing the application is: June 10, 2013.

The contact person for this project is Kim Harvey Loomney, Attorney, who may be reached at: Waller Landers Dorch & Davis, LLP, 511 Union Street, Suite 2700, Nashville, TN 37219. Telephone (615) 850-8722.

Upon written request by interested parties, a local Fast-Finding public hearing shall be conducted. Written request for hearing should be sent to:

Health Services and Development Agency
The Frost Building, Third Floor
161 Rose L. Parks Boulevard
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.O.A. § 68-11-1607(a)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

PUBLIC NOTICE

The City of Savannah, Tennessee, hereby provides certain financial information for the Fiscal Year 2014 budget in accordance with the requirements of Tennessee Code Annotated Title 6 Chapter 56 Section 206. There will be a public hearing concerning the budget at City Hall on June 6, 2013 at 7:00 p.m. and June 26, 2013 at 12:00 p.m. All citizens are welcome to participate. The budget and all supporting data is a public record and are available for public inspection by anyone at the office of the City Recorder.

	General Fund			Drug Fund			Solid Waste Fund			Debt Service Fund		
	FY 2012 Audited	FY 2013 Estimated	FY 2014 Proposed	FY 2012 Audited	FY 2013 Estimated	FY 2014 Proposed	FY 2012 Audited	FY 2013 Estimated	FY 2014 Proposed	FY 2012 Audited	FY 2013 Estimated	FY 2014 Proposed
Revenues:												
Local Taxes	\$7,000,581	\$7,020,000	\$6,847,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State of Tennessee	987,023	1,321,500	1,443,500	0	0	0	0	0	0	0	0	0
Federal Government	0	0	0	0	0	0	0	0	0	0	0	0
Other Sources	1,497,707	1,283,500	1,390,700	48,203	8,050	1,050	913,514	892,000	901,000	76,221	105,000	101,414
Total Revenues	\$9,485,311	\$9,625,000	\$9,682,100	\$48,203	\$8,050	\$1,050	\$913,514	\$892,000	\$901,000	\$76,221	\$105,000	\$101,414
Expenditures:												
Salaries	\$1,966,951	\$2,075,025	\$2,186,350	\$34,174	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Other	6,213,202	7,319,889	9,041,041	12,523	2,500	12,250	\$844,311	\$852,000	\$889,000	\$76,221	\$102,914	\$101,414
Total Expenditures	\$8,680,153	\$9,914,514	\$11,227,392	\$46,697	\$2,500	\$22,250	\$844,311	\$852,000	\$889,000	\$76,221	\$102,914	\$101,414
Beginning Fund Balance	\$2,865,548	\$3,665,705	\$3,376,191	\$33,041	\$34,550	\$40,100	\$1,331,299	\$1,400,472	\$1,440,472	\$25,874	\$25,874	\$27,960
Ending Fund Balance	\$3,665,705	\$3,376,191	\$1,810,400	\$34,550	\$40,100	\$68,900	\$1,400,472	\$1,440,472	\$1,452,472	\$25,874	\$27,960	\$27,960
Number of FTE Employees	49	51	54	1	0	0	0	0	0	0	0	0

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5540-FC

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County Sheriff's
soliciting sealed
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County Courthouse, Waverly,
Tennessee, conducted by Shapiro
& Kirsch, LLP Substitute Trustee,
pursuant to Deed of Trust executed
by Gerald A. Gaertner, to PRLAP,
Inc., Trustee, on May 18, 2006
at Book TD197, Page 1097; all of
record in the Humphreys County
Register's Office.

Holder: Bank of America, N.A.

The following real estate located
in Humphreys County, Tennessee,
will be sold to the highest call
bidder subject to all unpaid taxes,
prior liens and encumbrances of
record:

Described property located in
Humphreys County, Tennessee,
and being more particularly
described in deed of record in
Book TD197, Page 1097; in the
Register's Office of Humphreys
County, Tennessee:

Parcel Number: 093 003.00

Current Owner(s) of Property:
Gerald A. Gaertner

The street address of the above
described property is believed to
be 615 Cooley Road, Waverly,
Tennessee 37185, but such
address is not part of the legal
description of the property sold
herein and in the event of any
discrepancy, the legal description
referenced herein shall control.

SALE IS SUBJECT TO
TENANT(S) RIGHTS IN
POSSESSION.

If applicable, the notice
requirements of T.C.A. 35-5-117
have been met.

All right of equity of redemption,
statutory and otherwise, and
homestead are expressly waived
in said Deed of Trust, and the title
is believed to be good, but the
undersigned will sell and convey
only as Substitute Trustee.

If the highest bidder cannot
pay the bid within twenty-four (24)
hours of the sale, the next highest
bidder, at their highest bid, will be
deemed the successful bidder.

This property is being sold with
the express reservation that the
sale is subject to confirmation by
the lender or trustee. This sale
may be rescinded at any time.

Shapiro & Kirsch, LLP Substitute
Trustee
www.kirschattorneys.com
Law Office of Shapiro & Kirsch,
LLP

555 Perkins Road, Extended,
Second Floor.

Memphis, TN 38117
Phone (901)767-5566
Fax (901)761-5690
File No. 13-047494

Publication Dates: June 07, 14
and 21, 2013.

AGRICULTURAL LIME

152 Lime Kiln Road

Burns, TN 37029

615.446.7627

615.446.7495 fax

CRUSHED STONE PRODUCTS AVAILABLE

- Crusher Run
- Pug Mix
- 1 1/2"
- 3"
- 3/4 Washed
- 67's Washed
- 3/8 Washed
- Class "A" Rip-Rap
- Class "B" Rip-Rap
- Class "C" Rip-Rap
- Screenings - 1/4" Minus

FILL DIRT

Locally Owned & Operated

LANKFORDRESOURCES.COM

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that: Hospice Compassus-The Highland Rim, a hospice provider, owned by Community Hospices of America-Tennessee, LLC, with an ownership type of limited liability company and to be managed by itself intends to file an application for a Certificate of Need to initiate hospice services in Decatur, Hardin, Humphreys, Perry and Wayne Counties, Tennessee. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore Counties, and has applied for a Certificate of Need in Lincoln County. The cost of this project is approximately \$75,000. Hospice Compassus-The Highland Rim's home office is located at 1805 N. Jackson St., Suites 5 & 6, Tullahoma, TN 37388.

The anticipated date of filing the application is June 10, 2013. The contact person for this project is Kim Harvey Looney, Attorney, who may be reached at Waller Lansden Dortch & Davis, LLP, 511 Union Street, Suite 2700, Nashville, TN 37219 (615) 850-8722.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Health Services and Development Agency
The Frost Building, Third Floor
161 Rosa L. Parks Boulevard
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607 (c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Publication Date: June 07, 2013.

PUBLIC NOTICES

Legal Notices can be viewed at our website: www.buffaloriverreview.com under the Public Notices tab. Other TPA newspapers posting legal notices online may be found by visiting: www.tpubnotice.com (a division of Inpress.com).

TRUSTEE'S SALE NOTICE

WHEREAS, on the 12th day of March, 2008, by deed of trust recorded in the Registrar's Office of Perry County, Tennessee, in Book 87, page 769, Shirley A. Moore, conveyed to William E. Bates, Trustee, the hereinabove described real estate to secure the payment of a note therein described; and

WHEREAS, default has been made in payment of said indebtedness and other provisions of the deed of trust have been violated, and the holder of said indebtedness has directed the Trustee to foreclose the deed of trust in accordance with the terms thereof, the public is, therefore, hereby notified that the undersigned Trustee will sell the hereinabove described real estate at public auction to the highest and best bidder for cash.

TUESDAY, JUNE 18, 2013, AT 2:00 P.M.
AT THE FRONT DOOR OF THE COURT HOUSE
IN LINDEN, PERRY COUNTY, TENNESSEE

The property to be sold is more particularly described as follows:

Being and lying in the Fourth Civil District of Perry County, Tennessee, and being more particularly described as follows:

Being Lot No. 18, of the Cottonwood Homes Subdivision, according to plat recorded in Plat Book C, Page 724, ROPCT, which is incorporated herein by reference for a complete description of same. This property is subject to subdivision restrictions of record in Misc. Book 8, Page 42, ROPCT, which is incorporated herein by reference for their contents. Also included in the conveyance is a 1991 Fleetwood Mobilehome Ltd. 70' x 16' mobilehome, manufacturer's serial number TNFLM36242951FL, which is intended to be a future within the meaning of the laws of the State of Tennessee and the parties hereto agree that said mobilehome is permanently attached to and is a part of the above-described realty.

Being the same property conveyed to Donald Ray Moore and wife, Shirley A. Moore, by deed of Anna Kay Coble dated December 12, 1994, of record in Deed Book 228, page 181, in the Registrar's Office of Perry County, Tennessee. The said Donald Ray Moore is deceased and Shirley A. Moore is the owner of said property as the surviving tenant by the entirety.

This property is an improved tract identified as tax map 18, parcel 5055, in the office of the Assessor of Property of Perry County, Tennessee. The street address of the above-described property is believed to be 395 River Drive, Lobelville, Tennessee; but such address is not part of the legal description of the property sold herein, and in the event of any discrepancy, the legal description herein shall control.

Pursuant to T.C.A. 35-5-104, other parties that may have an interest in the tract of land herein described are the following:

1. Discover Bank, Lessor of Discover Card, Plaintiff, c/o Nathan & Nathan, PLLC, Attorneys for Plaintiff, P.O. Box 1715, Birmingham, AL 35201, through Agreed Judgment Order, against Shirley Moore, Defendant, dated January 11, 2013, in the original amount of \$10,375.22, a certified copy of which is recorded in Book M-16, page 345, in the Registrar's Office of Perry County, Tennessee.

2. Capital One Bank (USA), N.A., Plaintiff, c/o Nathan & Nathan, PLLC, Attorneys for Plaintiff, through Judgment by Default against Shirley A. Moore, Defendant, dated October 4, 2011, in the original amount of \$1,706.21, a certified copy of which is recorded in Book M-15, page 991, in the Registrar's Office of Perry County, Tennessee.

The sale will be made free from the equity of redemption, homestead, dower and all other rights and exemptions, which were

of trust. Trustee will convey all his right, title and interest, but without warranties of title. The sale will be made subject to any and all encumbrances, including but not limited to unpaid taxes; and I will sell and convey as Trustee and not otherwise.

The sale held pursuant to this Notice may be rescinded at the Trustee's option at any time. The right is reserved to adjourn the day of the sale to another day, time and place certain without further publication, upon announcement at the time and place for the sale set forth above.

This 22nd day of May, 2013,
William E. Bates, Trustee
Bank of Perry County
P.O. Box 341
Linden, TN 37086

B 65

SUBSTITUTE TRUSTEE'S SALE

Default having been made in the payment of the debts and obligations secured to be paid by a certain Deed of Trust executed June 27, 2006 by Cathy S. Oulor and David E. Oulor, wife and husband to Nashville Title Insurance Company, as Trustee, as same appears of record in the office of the Registrar of Perry County, Tennessee, in Book 81, Page 844, and the undersigned having been appointed Substitute Trustee by instrument recorded in the said Registrar's Office, and the owner of the debt secured, Green Tree Servicing LLC, having requested the undersigned to advertise and sell the property described in and conveyed by said Deed of Trust, all of said indebtedness having matured by default in the payment of a part thereof, at the option of the owner, this is to give notice that the undersigned will, on Wednesday, June 12, 2013 commencing at 01:00 PM, at the Front Door of the Courthouse, Linden, Perry County, Tennessee proceed to sell at public outcry to the highest and best bidder for cash, the following described property, to-wit:

Situated in County of Perry, State of Tennessee.
A certain tract or parcel of real property located, lying and being situated in the First (1st) Civil District of Perry County, Tennessee, and being more particularly described as follows: Beginning on a rock, the most Southern Southeast corner of the W. O. Monroe tract of which this is a part, and run thence with Matlin's line the following courses and distances: North 55° East 220 feet; North 32° East 241 feet; North 17° West 330 feet; North 6° West 191 feet; North 2° West 111 feet; North 13° East 100 feet; North 17° East 109 feet; North 7° East 429 feet; North 22° East 213 feet; North 7° West 228 feet; North 44° West 137 feet; North 3° East 200 feet; North 28° East 150 feet; North 6° East 170 feet; North 11° East 143 feet; South 79° East 400 feet; South 65° East 200 feet; South 62° 30 minutes East 300 feet; South 84° East 194 feet; South 70° East 148 feet to Price Spring; thence with Champion Paper's line North 45° West 855 feet; North 37° West 212 feet; North 6° West 472 feet; North 2° East 194 feet; North 14° 30 minutes East 542 feet; North 3° East 710 feet to the county road; thence with the same the following courses and distances: South 45° West 100 feet; South 39° West 100 feet; South 35° West 100 feet; South 31° West 100 feet; South 24° West 100 feet; South 28° West 100 feet; South 54° West 237 feet; South 42° West 100 feet; South 27° West 100 feet; South 22° West 306 feet; South 40° West 100 feet; South 54° West 100 feet; South 64° West 237 feet; South 68° West 246 feet; South 71° West 163 feet; South 70° West 153 feet to a point in the original West boundary; thence with the same South 10° West 60 feet; South 3° West 352 feet; South 5° West 400 feet; South 4° West 200 feet; South 9° West 200 feet; South 3° West 200 feet; South 1° East 200 feet; South 6° West 144 feet to a hickory; thence South 81° East 200 feet; South 76° East 200 feet; South 1° East 100 feet; South 18° West 160 feet; South 35° West 100 feet; South 20° West 200 feet; South 34° West 183 feet; South 24° East 430 feet; South 88° 30 minutes East 595 feet; South 11° 30 minutes East 400 feet; South 18° East 336 feet to the point of beginning, containing 113 acres, more or less, by survey of Thomas E. Lawson, Registered Land Surveyor #650, and dated November 15, 1985. Included in the herein above described property but expressly excluded from this conveyance is a certain tract or

52.56 acres, more or less, hereto conveyed to Don Smith, of record in Deed Book T-22, Page 306, Registrar's Office for Perry County, Tennessee, included in the herein above described real property but expressly excluded from this conveyance is a certain tract or parcel of real property containing 1.56 acres, more or less, hereto conveyed to Stacy Byers Wilson, of record in Deed Book O-20, Page 889, Registrar's Office for Perry County, Tennessee, included in the herein above described real property but expressly excluded from this conveyance is a certain tract or parcel of real property conveyed to Joshua C. Eaves and Kenneth Eaves, Jr., of record in Deed Book S-22, Page 778, Registrar's Office for Perry County, Tennessee.

Notice of the Right to Foreclose has been given in compliance with T.C.A. § 35-5-117.
Tax Parcel ID: 132-026.00
Property Address: 2161 Culp Road Road, Clinton, TN.

All right and equity of redemption, homestead and dower waived in said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee.

ARNOLD M. WEISS, Substitute Trustee
Weiss Spicer Cash PLLC
208 Adams Avenue
Memphis, Tennessee 38103
901-526-8296
File # 7134-010446-FC
Published: May 22, May 29 & June 5
Green Tree Servicing LLC/Cathy Oulor

B 65

NOTICE

POSITION: Full-Time Assistant Principal for Perry County High School

All applicants interested in this position may apply directly to Mike Rhodes, Principal or apply online at www.perrycountyschools.org. Or Application may be mailed or turned in directly to: Attention: Mike Rhodes (mrhodes@k12tn.net), Principal of PCHS, Perry County Schools, 857 Squirrel Hollow Drive, Linden, TN 37086

"If you have already submitted a resume for this position, please do not resubmit it until the 2012-2013 school year. The one on file can be re-examined upon request, without having to fill out another one. Just email our Web Administrator, mwebb@k12tn.net and ask that it be given to Principal Mike Rhodes for consideration.

Applications must be received no later than June 6th, 2013. Applicants must have a valid TN License "Minimum 5 year Classroom experience/MA Degree in ADMIN/Supervision" Preferred Experience: PLC, TEAM, Data and computer skills. *Job Description available upon request

B 65

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1001 et seq. and the Rules of the Health Services and Development Agency, that

Hospice Compassus-The Highland Rim, a hospice provider, owned by Community Hospices of America-Tennessee, LLC, with an ownership type of limited liability company to be managed by itself, file an application for a Certificate of Need to provide hospice services in Decatur, Hardin, Humphreys, Perry and Wayne Counties, Tennessee. Hospice Compassus is currently licensed in Bedford, Carleton, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury and Moore Counties, and has applied for a Certificate of Need in Lincoln County. The cost of this project is approximately \$75,000. Hospice Compassus-The Highland Rim's home office is located at 8905 N. Jackson St., Suites 5 & 6, Tullahoma, TN 37388.

The anticipated date of filing the application is: June 10, 2013. The contact person for this project is Kim Harvey Looney, Attorney who may be reached at Valleri Lawdon Dorich & Davis, LLP, 511 Union Street, Suite 2700, Nashville, TN 37219, 615-850-8722.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to: Health Services and

The Frost Building, Third Floor, 161 House L. Parks Boulevard, Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1007(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file a written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

B 65

NOTICE TO CREDITORS

Estate of MARY LOU HENDRIX, Late of PERRY County, Tenn.

Notice is hereby given that on the 28th day of May, 2013, Letters of Administration in respect to the Estate of MARY LOU HENDRIX, deceased, who died June 13, 2012, were issued to the undersigned by the Chancery Court of Perry County, Tennessee.

All persons, resident and non-resident, having claims, matured or unmatured against the Estate are required to file the same in triplicate with the Clerk of the above named Court on or before the earlier of the dates prescribed in (1) or (2) otherwise their claim will be forever barred.

(1) (A) Four (4) months from the date of the first publication (or posting, as the case may be) of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication (or posting); or (B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication as described in (1) (A); or (2) Twelve (12) months from the date of the first publication (or posting, as the case may be) of this notice.

This the 28th day of May, 2013.
Charles Edward Hendrix, Administrator
Estate of MARY LOU HENDRIX
Charlene Brown, Perry County Clerk & Master
Patricia W. Holder, Attorney for Administrator
Estate of Mary Lou Hendrix
820 Highway 100
Centerville, TN 37033

Pd 6/12

NOTICE TO CREDITORS

Estate of JOE ROBERT HOLDER, Late of PERRY County, Tenn.

Notice is hereby given that on the 31st day of May, 2013, Letters Testamentary in respect to the Estate of JOE ROBERT HOLDER, deceased, who died March 30, 2013, were issued to the undersigned by the Chancery Court of Perry County, Tennessee.

All persons, resident and non-resident, having claims, matured or unmatured against the estate are required to file the same in triplicate with the Clerk of the above named Court on or before the earlier of the dates prescribed in (1) or (2) otherwise their claim will be forever barred.

(1) (A) Four (4) months from the date of the first publication (or posting, as the case may be) of this notice if the creditor received an actual copy of this notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication (or posting); or (B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors if the creditor received the copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication as described in (1) (A); or (2) Twelve (12) months from the date of the first publication (or posting, as the case may be) of this notice.

Pd 6/12

This the 31st day of May, 2013.

Teresa Byrd, Co-Executor
Sherry D. Dillaha Adams, Co-Executor
Estate of JOE ROBERT HOLDER
Charlene Brown, Perry County Clerk & Master
W. Andrew Yarbrough, Attorney for Executors
Estate of Joe Robert Holder
P.O. Box 456
Waynesboro, TN 38485

Pd 6/12

SUBSTITUTE TRUSTEE'S SALE

WHEREAS, default having been made in the payment of the debts and obligations secured by a Deed of Trust executed on March 20, 2007, by Brenda Bayer to Larry A. Wolsman, Trustee, for the benefit of Mortgage Electronic Registration Systems, Inc. as sole nominee for SunTrust Mortgage, Inc. and appearing of record in the Registrar's Office of Perry County, Tennessee, in Book 84, Page 276, and

WHEREAS, the beneficial interest of said Deed of Trust was last transferred and assigned to SunTrust Mortgage, Inc. and

WHEREAS, SunTrust Mortgage, Inc., as the holder of the Note for which debt is owed, (Note Holder), appointed the undersigned, Priority Trustee Services of TN, LLC, as Substitute Trustee by instrument filed or to be filed for record in the Registrar's Office of Perry County, Tennessee, with all the rights, powers and privileges of the original Trustee named in said Deed of Trust, and

WHEREAS, pursuant to Tenn. Code Ann. § 35-5-117, not less than sixty (60) days prior to the first publication required by § 35-5-101, the notice of the right to foreclose was properly sent, if so required; and

NOW, THEREFORE, notice is hereby given that the entire indebtedness has been declared due and payable as provided in said Deed of Trust by the Note Holder, and that the undersigned, Priority Trustee Services of TN, LLC, Substitute Trustee, or its duly appointed attorneys or agents, by virtue of the power and authority vested in it, will on Thursday, June 27, 2013, commencing at 12:00 p.m., at the South Door of the Perry County Courthouse, Linden, Tennessee, proceed to sell at public outcry to the highest and best bidder for cash, the following described property situated in Perry County, Tennessee, to-wit:

Property commonly known as: 1231 Hwy 13 North, Lobelville, TN 37097 County of Perry. Being a certain tract of land in the Fourth Civil District of Perry County, Tennessee, lying West of the adjacent to Highway 13 and being more particularly described as follows: Beginning at an existing iron pin on the West margin of Highway 13, said point also being the Southeast corner of the Albert Smith property recorded in Deed Book F-8, Page 731, Registrar's Office of Perry County, Tennessee; thence with said margin South 27 degrees 43' 14" East 335.81 feet to a place on pin; thence leaving said margin with new lines as follows: South 78 degrees 48' 48" West 499.43 feet to a placed iron pin; North 76 degrees 19' 04" West 632.24 feet to a placed iron pin in the South boundary of the Smith property; thence with Smith's South boundary as follows: North 24 degrees 09' 45" East 107.52 feet to a 10 inch cedar tree; North 80 degrees 00' 00" East 934.00 feet to the point of beginning.

Containing 6.02 acres by calculation. Survey made by calculation. Survey made by Darrel R. McBride, Surveyor, R.L.S. #1463, McEwen, Tennessee, dated July 6, 1999. Being the same property conveyed to Dale McGee by quitclaim deed from Angela McGee dated 01/07/07 and had no record in Book D-3, Page 525, said Registrar's Office. Being the same property further conveyed to Brenda Bayer an unmarried person by a deed from Dale McGee unrecorded dated 3/21/07 and had no record in Book D-3, Page 882 said Registrar's Office.

PROPERTY ADDRESS: 1231 Hwy 13 North, Lobelville, TN 37097 CURRENT OWNER(S): Brenda Bayer

The sale of the above-described property shall be subject to all matters shown on any recorded plan; any unpaid taxes; any restrictive covenants, easements or setback lines that may be applicable; any prior liens or encumbrances as well as any priority created by a future filing; and any matter that an accurate survey of the premises might disclose. Substitute Trustee will only convey any interest herein may have in the property at the time of sale.

Property is sold "as is, where is." For every lien or claim of lien of the state identified above, please be advised notice required by § 67-1-133 (b)(1) was timely given and that any sale of the property herein referenced will be subject to the right of the state to redeem the land as provided for in § 67-1-143(c)(1).

All right and equity of redemption, statutory or otherwise, homestead, and dower are expressly waived in said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee. The right is reserved to adjourn the day of the sale to another day, time, and place certain without further publication, upon announcement at the time and place for the sale set forth above.

PRIORITY TRUSTEE SERVICES OF TN, LLC
1587 Northeast Expressway
Atlanta, Georgia 30329
(770) 234-9181
File No: 1488213 Web Site: www.pstn.com
Insertion Dates: 6/5/2013, 6/12/2013, 6/19/2013

B 619

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All right and equity of redemption

Memorial

(Continued From Page One)
Chambers, the post adjutant served as the Master of Ceremonies. Larry Mathis provided the sound system.

Members of American Legion Post 130 in Waynesboro played key roles in the program as well. Ron Tripp, the post vice commander gave a brief talk and Post Chaplain Richard Ralnes offered the benediction. The Post is currently in a state of reorganization and you can expect to see great things from them in the coming months. Members of the Legion fanned out over the county in the days leading up to Memorial Day and placed the flags on the graves of deceased veterans.

A crowd of approximately fifty veterans and their families were on hand for the ceremony that lasted for nearly an hour. Speakers included the mayor of Clifton, the Honorable Robert Culp, John Hickman the city manager of Waynesboro and Mrs. Dean Siegel, representing the Daughters of the American Revolution.

Collinwood Post Commander Eddie Thompson told of a recent meeting with the family of a friend who was killed during the Viet Nam War. Danny Vandiver was killed on April 28, 1970 in a mortar attack not far from Thompson's position. The account of this visit appeared in the *Wayne County News* last week, May 29.

Steve Collie read the Honor Roll of the Wayne County veterans who were killed in World War I, World War II, Korea and Viet Nam for a total

of 72 names of fallen heroes and Ms. Barnhart read the names of the six NamVets from Wayne County who perished in that long and protracted war. Mrs. Siegel and Frances Ralnes stepped forward to place the new patriotic wreath at the monument near the flag pole. This shiny new wreath was made possible by American Legion Post 130.

Among the veterans in the audience recognized were Joe Donegan, World War II veteran and one of the county's most decorated veterans. Sgt. Bouchel, a World War II veteran was held for some twelve months in a German POW camp was recognized though he is frail and was unable to be in attendance. There were 4 World War II veterans in the audience and included Mr. Dougan, Barney Warren, Reese Leath, and Coy Gillis. A good number of Korean veterans were on hand as were a good number of Viet Nam veterans.

Ms. Sunny Barnhart, a Marine Corps veteran of the Viet Nam War era was the key note speaker and also gave the invocation, led the Pledge of Allegiance to the flag and recognized the veterans in turn as their era and branch of service were announced. No stranger to events honoring our veterans, Ms. Sunny asked the audience to look beyond the shiny medals and see the empty chairs around the dinner table and the empty places in the hearts of those left behind. As she pointed to the monument bearing the names of these 72 fallen heroes she reminded the audience they were not some cookie cutter,

knock off wanna be heroes playing childish war games but honest to God real heroes. Those names and that monument were not leftovers from a movie prop but real names of real people. She quoted then President Lyndon Johnson as he addressed the escalating hostilities in South East Asia when he said, "To know war is to know there is still madness in the world." In closing the Woman Marine begged the audience to cherish these veterans who gave their all, their last full measure of courage; to cherish their memories and their sacrifices but most of all to CHERISH AND DEFEND THE FREEDOMS THEY FOUGHT AND DIED FOR. In closing she told the assembly, "YOU DO NOT HAVE TO EMBRACE WAR BUT YOU DO NEED TO EMBRACE THE WARRIOR."

She gave special recognition to her friend and fellow Marine, Reese Leath. This decorated Marine served during World War II, did two tours in Korea and two tours in Viet Nam before retiring with some 23 years of service under his belt and the rank of Gunnery Sergeant. Sergeant Leath brought the chatter to a halt and had all eyes focused on him as he stepped from his vehicle and ram rod straight, walked across the parking lot in his Marine Corps Dress Blue uniform. And for a brief moment one could see some 60 plus years fall from his frail frame to give a glimpse of the Marine in his service years.

Plans are already underway for the Veterans Day program in November. Mark your calendars.

... Tour de

(Continued From Page One)
Recreational Park. Some riders will be able to head

back to Waynesboro from there, but those wishing to ride longer distances will continue on to other stops, including the Tennessee Fitness Spa. Those participating in the 100-mile ride will continue on to Collinwood's Welcome Center and enjoy activities at the

Collinwood Centennial Celebration before returning to Waynesboro. Rest stops will include Collinwood Springs bottled water, Subway sandwiches and home-made treats baked by Welcome Center volunteers and Peoples Bank employees, as well

as homemade ice cream by Joani Daniel and family. To volunteer, sponsor, donate, or register contact the Chamber at (931) 722-3575. Entry forms can also be found at waynecountychamber.org.

Employee Resources CREDIT UNION

INVITES YOU TO ATTEND THE

Grand Opening

OF OUR NEW

WAYNESBORO BRANCH

Located at 321 Dexter Woods Blvd.
(Next To Piggly Wiggly)

Wednesday, June 12, 2013
10 A.M. - 2 P.M.

Stop By And Meet Us...

LINDA MORRISON, Branch Manager
BRITTANY MITCHELL, Collections Manager
DELORIS MATHIS, Teller
KRISTIN BRYSON, Teller

Enjoy Refreshments & Register For Door Prizes
(2 x \$50 VISA Gift Cards)

Did you know that Credit Unions are an alternative to traditional banking? Our goal is to serve our members and HELP SAVE YOU MONEY! If you live, work, worship or attend school in Wayne, Lawrence, Giles or Henderson County, you are eligible to join.

CHECKOUT OUR GRAND OPENING SPECIALS:

- *Auto Rates For 2008 And New Vehicles Financed At 2.5% With Qualifying Credit
- *Credit Card Balance Transfers At 1.99% For The First Six Billing Cycles With No Balance Transfer Fee, No Annual Fee, And No Penalty Interest Rate Increase. Our Regular Rates Are 8.99%, 10.99% And 12.99%

STOP BY AND CHECK OUT THE CREDIT UNION WAY TO TAKE CARE OF ALL YOUR FINANCIAL NEEDS. We are NOT FOR PROFIT and we want to "HELP SAVE YOU MONEY!!!"

(Insured By NCUA) www.ecu.com

FURNITURE

4 LESS

Barlow Shopping Center
Waynesboro, TN ~ 722-3900

*FINANCING *L.A.-W.W. *DELIVERY

OPENING NOW!!!

Lotus Ki Shin Do

Above The Tree That On The Square Waynesboro

WAYNESBORO HOURS:

THURSDAY & SATURDAY 1 - 9 P.M.

FRIDAY 9 A.M. - 5:30 P.M.

\$15 Family - \$65 Individuals

Chi Kung Ki Shin Do

731-733-3695 • 931-213-0268

www.lotuskiashindo.com

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-101 et seq., and the Rules of the Health Services and Development Agency, that:

Hospice Compassus - The Highland Rim, a hospice provider, owned by Community Hospices of America Tennessee, LLC, with an ownership type of limited liability company and to be managed by itself, intends to file an application for a Certificate of Need to initiate hospice services in Davidson, Hardin, Humphreys, Perry and Wayne counties, Tennessee. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Monroe Counties, and has applied for a Certificate of Need in Lincoln County. The cost of this project is approximately \$75,000. Hospice Compassus - The Highland Rim's home office is located at 1805 N. Jackson St., Suite 3 & 8, Tullahoma, TN 37388.

The anticipated date of filing the application is: June 10, 2013.

The contact person for this project is Kim Harvey Looney, Attorney who may be reached at Walter Landrum Ditch & Davis, LLP, 511 Union Street, Suite 2100, Nashville, TN 37210, 615-850-8772. Upon written request by interested parties, a local fact-finding public hearing shall be conducted. Written requests for hearing should be sent to:

Health Services and Development Agency
The Capitol Building, Third Floor
161 Ross L. Parks Boulevard
Nashville, Tennessee 37243

The published letter of intent must contain the following statement pursuant to T.C.A. § 68-11-102(b)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally submitted; and (B) Any other person wishing to oppose the application must file a written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

COLLINWOOD CENTENNIAL CELEBRATION

CELEBRATE

ANTIQUE FARM EQUIPMENT, & TRACTORS, CARS, TRUCKS

BLACKBERRY AND APPLE ALONG WITH YOUR FAVORITE LOCAL CELEBRITIES

1000 VEHICLES WITH-OUT FLASHLIGHT

GARDEN STEEL, WHITE BEANS, TRUCKS, ENTERTAIN

TREE PLANTING CEREMONY

TREE GARLILE

100 BALLOON RELEASE

AND

BIRTHDAY CAKE FOR EVERYONE!

Everyone is Asked To Bring Collinwood Memorabilia For Display To Share

SATURDAY

JUNE 8, 2013

STARTING AT

10:00AM

UNTIL 5:00 PM

VOLUNTEER PARK

(BEHIND COLLINWOOD FIRE DEPT.)

T-SHIRTS

\$10.00

COLLINWOOD, TN

1913-2013

For more information, contact:

Waynesboro, TN 37210

Local Area (931) 722-0663

Copy

Supplemental #1

**Hospice Compassus – The Highland
Rim**

CN1306-020

Kim Harvey Looney
Waller Lansden Dortch & Davis, LLP
615.250.8722 Direct
kim.looney@wallerlaw.com

SUPPLEMENTAL

2013 JUN 27 PM 4 13

June 27, 2013

VIA HAND DELIVERY

Phillip M. Earhart
Health Services Examiner
Health Services and Development Agency
Frost Building, 3rd Floor
161 Rosa L. Parks Blvd.
Nashville, TN 37243

Re: CN1303-020
Community Hospices of America — Tennessee, LLC
d/b/a Hospice Compassus - The Highland Rim

Dear Phillip:

This letter is submitted as the supplemental response to your letter dated June 20, 2013 wherein additional information or clarification was requested regarding the above-referenced CON application.

1. Section A., Applicant Profile, Item 4

Please identify each member of Community Hospices of America-Tennessee, LLC (Hospice Compassus) and each member's percentage of ownership.

Response: The applicant is wholly owned by its parent company, CLP.

Does Compassus own other health care institutions in Tennessee? If yes, please provide the names and locations of those health care institutions.

Response: No, Hospice Compassus does not own any other health care institutions in Tennessee.

2. Section A., Applicant Profile, Item 4

Please confirm the applicant contracts with the TennCare Managed Care Companies AmeriGroup and CoverKids.

Response: Yes, Hospice Compassus contracts with AmeriGroup and CoverKids.

3. Section B, Project Description, Item II.C.

Please also compare the 2011 cancer and non-cancer death rates of each county in the proposed service area to rates for Tennessee overall.

County	2009 Cancer Deaths	2010 Cancer Deaths	2011 Cancer Deaths	'09-'11 % Change	2009 Non- Cancer Deaths	2010 Non- Cancer Deaths	2011 Non- Cancer Deaths	'09-'11 % change
Decatur	44	35	33	(25.0%)	145	136	123	(15.2%)
Hardin	77	57	68	(11.7%)	241	259	273	13.3%
Humphreys	46	59	53	15.2%	172	152	187	8.7%
Perry	19	20	22	15.8%	70	70	80	14.3%
Wayne	46	42	38	(17.4%)	153	137	131	(14.4%)
Service Area Total	232	213	214	(7.8%)	781	754	794	1.7%
Tennessee	13,409	13,514	13,461	0.4%	44,614	45,687	46,643	4.5%

4. Section B, Project Description Item III.A. (Plot Plan)

Please provide a revised plot plan that includes the size of the site (in acres) and location of the structure on the site on noted on the plot plan.

Response: Please see a copy of the plot plan of the applicant's home office, located at 1805 N. Jackson Street, Tullahoma, Tennessee 37388, attached as Attachment B.III(A). The home office is located on a 3.5 acre site.

5. Section C., Need, Item I.a. (Service Specific Criteria-Hospice Services)

Adequate Staffing (1)

Please provide a summary of the general staffing guidelines and qualifications of the National Hospice and Palliative Care Organization. Please also summarize how the applicant intends to meet each of those guidelines and qualifications.

Response: According to the National Hospice and Palliative Care Organization, "the Staffing Guidelines for Hospice Home Care Teams is based on the recognition of the current diverse nature of hospice care and allows for individualization of staffing caseloads according to the organizational and environmental characteristics specific to each hospice, in much the same way hospices individualize patient care. The Staffing Guidelines for Hospice Home Care Teams utilizes an assessment process to estimate optimal staffing levels for hospice programs that includes an analysis of the model of care delivery, characteristics of the patient population served, environmental considerations, and other circumstances unique to each hospice. It is important to keep in mind that no one "best standard" regarding hospice staffing caseloads currently exists. The primary consideration that should be used by a hospice to determine optimal staffing

Philip M. Earhart
June 27, 2013
Page 3

caseloads is the hospice's ability to meet the needs of patients and families through appropriate use of resources and achieving the quality goals set by the hospice program."

The substantive portions of the Guidelines are broken out into three main sections: Preparation, Analysis, and Evaluation.

Preparation requires providers to review the National Summary of Hospice Care tables and compare their current staffing caseloads to national statistics; review the description and table of Care Model Factors to Consider for Staffing Caseloads; review the list of Other Factors to Consider for Staffing Caseloads; and review examples of completed Worksheets 1 and 2 for three hospice programs. Hospice Compassus completed each of these steps in preparation for beginning the staffing analysis process and, thus, has satisfied the Preparation portion of the Guidelines.

Analysis requires providers to complete worksheets using the provider's statistics and information to determine whether the provider should consider staffing caseloads that are smaller or larger than national norms based upon how the provider's organizational characteristics compare to national norms and how other organizational and environmental factors apply to the provider. Specifically, providers must assemble their hospice's data and compare their current staffing caseloads to national caseload statistics and complete the following two worksheets: (1) Factors Associated with Care Delivery Models and (2) Other Factors to Consider for Staffing Caseloads. Hospice Compassus gathered all of the required data and performed the required comparisons to national caseload statistics, and completed the two required worksheets. Thus, Hospice Compassus has satisfied the Analysis portion of the Guidelines.

Finally, Evaluation assists providers with ongoing evaluation and includes a discussion of the Quality Assessment and Performance Improvement process (QAPI), the Family Evaluation of Hospice Care (FEHC), and other performance measurement tools that providers can utilize. Hospice Compassus utilized the QAPI process to evaluate the effectiveness of staffing changes undertaken after it completed the Staffing Guidelines analysis, and periodically repeats the Staffing Guidelines analysis at appropriate intervals to continuously monitor its comparative performance and to assure continued high quality patient care and high levels of staff performance and well-being. Hospice Compassus has complied with the Evaluation portion of the Guidelines.

Hospice Compassus has also reviewed each of the Hospice Program staffing analysis examples provided by the National Hospice and Palliative Care Organization.

Hospice Compassus currently meets and will continue to meet each of the National Hospice and Palliative Care Organization's Staffing Guidelines and qualifications.

Community Linkages Plan (2)

Please provide support letters from physicians who practice in each of the proposed counties that details specific instances of unmet need for hospice services.

Response: Letters of support for this project are included as Attachment C-Need.1.a - Letters of Support.

Philip M. Earhart
June 27, 2013
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Proposed Charges (3)

The applicant mentions no existing provider in the proposed service area provides palliative care and prenatal and pediatric hospice services. Please provide the methodology used to determine the validity of this statement.

Response: The applicant based this statement on data contained in the Joint Annual Reports of other hospice providers indicating that other providers serve very few pediatric patients and that these patients are not the very young pediatric patients that the applicant serves, and on its understanding of the need for palliative care and prenatal and pediatric hospice services based on its referral relationships with St. Jude Children's Research Hospital, Huntsville Hospital, and Vanderbilt Children's Hospital. Each of these providers has informed the applicant that it is difficult for them to find appropriate hospice services for palliative care, and prenatal and pediatric hospice patients in Lincoln County.

Quality Control and Monitoring (6)

Please provide a copy of the applicant's proposed plan for data reporting, quality improvement, and outcome and process monitoring.

Response: The applicant participates in the Deyta family satisfaction survey program, and issues quarterly Quality Initiative Updates to its Tennessee employees to make note of successful patient satisfaction results and clarify areas for continued improvement. The applicant also collects data on 43 quality indicators, and reports on approximately one-fourth of those quality indicators as part of its Medicare quality management reporting to the National Quality Registry.

Please indicate where the applicant is in the Joint Commission Accreditation process.

Response: The applicant expects to apply sometime in the next year.

Hospice Services Need (Need Formula)

Also, please provide a general overview of the applicant's palliative care and prenatal/pediatric hospice services. Is a certificate of need required to provide these services? If so, what are the percentages of patients projected to be served in Year One that will be palliative care and prenatal/pediatric hospice patients?

Response: Hospice Compassus has had great success with its specialized hospice services, which include perinatal and pediatric hospice services, and the development of its palliative care hospice services program, throughout its existing service area. It works closely with Vanderbilt Children's Hospital, St. Jude Children's Research Hospital, Huntsville Hospital, and others, and has developed a network of providers that work together to improve the quality of life of hospice patients and their families by providing them with high quality care while reducing unnecessary travel and providing them with counseling and support throughout a difficult process. The proposed service area is in close proximity to both St. Jude Children's Research Hospital and Vanderbilt Children's Hospital.

waller

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The applicant's perinatal and pediatric hospice services complement each other and, through these services, the applicant is able to provide support and care to families going through devastating circumstances. Through its perinatal program, the applicant will attend physician appointments with an expectant mother whose baby is expected to live only for a short time after birth, or in some cases may have already died during the last trimester of her pregnancy. The applicant provides grief counseling and support to the expectant mother, as well as to the entire family, including siblings. The applicant works with the family to formulate a plan to implement upon the baby's birth that includes both a clinical aspect, i.e. the types of comfort that can be medically provided to the baby, and a personal aspect, i.e. the types of mementos the family would like to have, such as the baby's handprints and footprints. This service provides hospice care in the form of counseling, and comfort to families going through very difficult circumstances. A general hospice program does not provide these specialized services.

The applicant's pediatric program is already servicing patients and, like the applicant's perinatal program, is providing an invaluable service to patients and their families. The applicant's pediatric hospice patients have thus far included children aged three (3) months through nine (9) years of age who suffer from cancer, genetic disorders, and other fatal illnesses. At least two (2) of these pediatric hospice patients were indigent. As an example of how the applicant works with other providers to make obtaining quality hospice care as easy as possible for families with children in hospice, the applicant has partnered with Huntsville Hospital in Huntsville, Alabama. Huntsville Hospital is affiliated with St. Jude Children's Research Hospital, making it possible for a St. Jude cancer patient who is receiving hospice services from the applicant to receive any necessary follow-up care at Huntsville Hospital rather than having to travel back to St. Jude, which is farther from home. If this option were not available, both with the pediatric hospice care and follow-up with Huntsville Hospital, the patient would have to stay at St. Jude, which could severely limit the family involvement. This is just one example of the type of relationships the applicant has developed with other providers that allows them to lessen the burden on patients and their families while providing them with the highest quality of care.

The applicant's palliative care program is of significant value to those residents of the proposed service area who are suffering from chronic illnesses such as congestive heart failure or COPD. Because the life expectancy of these patients is generally greater than six (6) months, they are not yet appropriate candidates for the applicant's hospice program but are still in need of quality health care services. For this reason, the applicant is establishing its palliative care program through which it will see patients suffering from chronic illness in a consultative model and works with them to treat and manage their symptoms at home. The applicant recently applied for a Medicare Part B palliative care license, a unique certification that sets it apart from most other hospice providers.

The applicant's hospice and palliative care services should also help hospitals reduce the number of hospital admissions and days, ICU admission and days, 30 day hospital readmissions and in-hospital-deaths, as supported by a study from Mount Sinai's Icahn School of Medicine, published in the March 2013 edition of Health Affairs. The initiation of this service is expected to have a significant positive impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent readmissions.

A certificate of need is required to provide both general and specialized hospice services.

waller

Philip M. Earhart

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The applicant projects that of the 19 patients in the proposed service area it expects to treat in Year One, approximately 1-3 of those patients will be perinatal/pediatric patients. The applicant expects to treat approximately 2-5 perinatal/pediatric patients in Year Two. Above and beyond the 19 patients in Year One and 30 patients projected for Year Two, the applicant expects to treat an additional 2-5 patients who will receive palliative care services. These specialized hospice services are not currently provided in the proposed service area, so it is difficult to project the utilization rate. The applicant was conservative in its projected utilization rates for specialized hospice and palliative care services. However, each individual in the proposed service area who is able to benefit from the applicant's services is significant.

Is the palliative care program a separate program from hospice services? Could the palliative care program be offered in the proposed service area without a hospice license?

Response: The palliative care program is offered in conjunction with the applicant's hospice services. The palliative care program is reimbursed under Medicare Part B, while hospice services are reimbursed at a Medicare per diem rate. The palliative care program could technically be offered in the proposed service area without a hospice license, but it would not make sense from a programmatic or operational standpoint to offer palliative services without also offering hospice services.

Palliative care programs must operate at a high volume just to break even. For that reason, they are generally operated in conjunction with a hospice or hospital. The applicant is unaware of any independently operating palliative care programs. In order for palliative care to be financially viable, it generally must be provided by a hospital or hospice program.

The applicant's palliative care program utilizes a consultative model by which the applicant's physicians and nurses provide in-home symptom management services to patients with chronic illnesses. The vast majority of these patients will ultimately be in need of hospice services, and the palliative care program aids in the transition from palliative care to hospice care for these patients and their families. It would not be financially feasible for the applicant to offer its palliative care program in the proposed service area without also operating its hospice program there.

Please provide the calculation that determines the hospice penetration rate in the proposed service area of .272% is less than 80% of the Statewide Median Hospice Penetration Rate of .311%.

Response: According to the new need calculation formula, need shall be established if the proposed service area's Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and there is a need for at least 120 additional hospice service recipients in the proposed service area. The Statewide Median Hospice Penetration rate is 0.389. Therefore, any county with a Hospice Penetration Rate of less than 0.311 (which is 80% of 0.389) will satisfy the first portion of the need calculation formula.

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The Hospice Penetration Rate for each of the counties in the proposed service area is as follows:

County	Hospice Penetration Rate	Patient Need
Decatur	0.294	3
Hardin	0.257	18
Humphreys	0.231	18
Perry	0.224	8
Wayne	0.362	0
Proposed Service Area Total	0.272	47

We arrived at a Hospice Penetration Rate of 0.272 for the proposed service area by using the following methodology.

The new need formula states that the need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

$$A / B = \text{Hospice Penetration Rate}$$

Where:

A = the mean annual number of Hospice unduplicated patients served in all counties included in a proposed Service Area for the preceding two calendar years as reported by the Tennessee Department of Health;

and

B = the mean annual number of Deaths in a Service Area for the preceding two calendar years as reported by the Tennessee Department of Health.

According to data from the Tennessee Department of Health, the mean annual number of hospice unduplicated patients in the proposed service area is 269 and the mean annual number of deaths in the proposed service area is 988, as set forth in the tables below.

Philip M. Earhart
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**Mean Annual Number of Hospice Unduplicated Patients
Served in Proposed Service Area**

County	2010 Patients Served	2011 Patients Served	Mean
Decatur	51	45	48
Hardin	73	96	85
Humphreys	42	62	52
Perry	22	21	22
Wayne	57	69	63
Total	245	293	269

Source: Tennessee Department of Health, Division of Health Planning

**Mean Annual Number of Deaths in
Proposed Service Area**

County	2010 Deaths	2011 Deaths	Mean
Decatur	171	156	164
Hardin	316	341	329
Humphreys	211	240	226
Perry	90	102	96
Wayne	179	169	174
Total	967	1008	988

Source: Tennessee Department of Health, Division of Health Planning

The mean annual number of hospice unduplicated patients in the proposed service area (269) divided by the mean annual number of deaths in the proposed service area (988), yields a Hospice Penetration Rate in the proposed service area of 0.272.

There appears to be no need in Wayne County. Please clarify if the applicant has considered not including Wayne county in the proposed service area. If not, please bullet-point all the reasons why this county should be included in this proposed project.

Response: The applicant considered the proposed expansion without including Wayne County and determined that was not the best course of action for several reasons.

First, the applicant will have to drive through Wayne County in order to reach some patients in the proposed service area. It would be nonsensical from a business perspective to not be licensed to provide services in Wayne County because the applicant will be physically present in the County as part of providing services to patients in the surrounding counties.

Second, adding Decatur, Hardin, Humphreys, and Perry counties without adding Wayne will result in a hole in the applicant's service area. The applicant has an application pending before the HSDA for

Philip M. Earhart
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approval to provide services in Lincoln County to resolve this precise issue, and would like to avoid creating a similar issue with Wayne County.

Third, the hospice penetration rate in Wayne County does not significantly exceed the 80% threshold set forth in the new need calculation formula. Wayne County exceeds this threshold by approximately 16%, whereas Hamilton County exceeds the threshold by 153% and Davidson County exceeds the threshold by 137%. Thus, there is not an overabundance of hospice services in Wayne County.

Finally, Wayne Medical Center, the hospital in Wayne County, is operated by Maury Regional Medical Center located in Maury County, Tennessee. Maury County is in the applicant's existing service area, so permitting the applicant to provide services in Wayne County as well would contribute to the orderly development of health care.

6. Section C, Need, Item 4.A and 4 B.

Your response to this item is noted. Please complete the following chart:

Variable	Decatur	Hardin	Humphreys	Perry	Wayne	TN
Current Year (CY), Age Group, 0-19	2,622	6,551	4,854	1,961	3,839	1,674,844
Projected Year (PY), Age Group, 0-19	2,627	6,712	4,983	1,986	3,948	1,718,413
Age Group, 0-19, % Change	0.2%	2.4%	2.6%	1.3%	2.8%	2.5%
Age Group, 0-19, % Total (PY)	22.8%	24.4%	25.4%	25.0%	22.1%	25.9%
CY, Age Group, 65+	2,366	5,130	3,337	1,444	2,885	904,587
PY, Age Group, 65+	2,527	5,627	3,631	1,558	3,159	1,015,339
Age Group, 65+ % Change	6.8%	9.7%	8.8%	7.9%	9.5%	12.2%
Age Group, 65+ % Total (PY)	21.9%	20.4%	18.5%	19.6%	17.7%	15.3%
CY, Total Population	11,509	27,091	19,184	7,842	17,524	6,414,297
PY, Total Population	11,533	27,555	19,612	7,946	17,876	6,623,114
Total Pop. % Change	0.2%	1.7%	2.2%	1.3%	2.0%	3.2%
TennCare Enrollees*	2,432	6,381	3,480	1,854	2,867	1,199,087
TennCare Enrollees as a % of Total Population (2013)	21.1%	23.6%	18.1%	23.6%	16.4%	18.7%
Total Population (2013)	11,509	27,091	19,184	7,842	17,524	6,414,297
Median Age	44.3	43.5	41.9	43.1	40.9	38.0
Median Household Income	\$30,311	\$32,131	\$41,810	\$31,857	\$33,630	\$48,989
Population % Below Poverty Level	21.1%	22.7%	1402%	22.9%	20.9%	16.9%

* TennCare enrollment data is based on the February 2013 Midmonth Report. This is the most recent information available on the Tennessee Department of Health website.

Please indicate if the applicant will have the capability to serve the Hispanic population in the proposed counties.

Response: Yes, the applicant provides services to the Hispanic population in its existing service area and will provide services to any resident of the proposed service area who needs hospice services, including Hispanic residents.

Philip M. Earhart
June 27, 2013
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7. Section C, Need, Item 6.

Your response to this item is noted. Please provide letters from area discharge planners, physicians, and other referral sources indicating an inability to locate hospice services for residents in the five county service area particularly patients requiring palliative care and pediatric/perinatal care.

Response: Letters of support for this project are included as Attachment C-Need.1.a - Letters of Support.

Please provide the methodology in projecting 19 patients in Year One.

Response: The demographics of the proposed counties are very similar to the counties in the applicant's existing service area. Thus, the applicant projected that it would treat 19 patients in Year One based on data from its existing service area, including average length of stay.

8. Section C., Economic Feasibility, Item 4

Please clarify the category "inpatient services" in B.1 on the historical and projected data charts. Does this include services provided at a nursing home, hospital, and/or other type of inpatient facility? Please specify which types of facilities are included.

Response: The "inpatient services" category on the Historical and Projected Data Charts represents hospice services provided to patients in a nursing home or hospital setting.

Please resubmit the revised Historical and Projected Data Charts that includes management fees. A copy of the revised charts are included at the end of the supplemental request.

Response: There are no management fees associated with this project. Administrative services are provided by the applicant's parent company and any associated fee is for internal accounting purposes only. The Historical and Projected Data Charts are correct as submitted because there is no management fee in this situation. Both charts are reattached hereto for your reference.

Please clarify the reason Other Expenses on line D.8 on the Projected Data Chart increases from \$11,140 in Year One to \$85,716 in Year Two.

Response: The amount reflected in the "Other Expenses" category of the Projected Data Chart increases from \$11,140 in Year One to \$85,716 in Year Two primarily due to expenditures related to the applicant's proposed opening of a new branch office to further support its provision of services to the proposed service area, as well as an increase in expenditures related to travel, mileage, advertising, marketing, lab and diagnostic expenses, information technology services, office supplies, and other related expenses. The applicant projects an increase in these areas due to the applicant's increased efforts to market its services to providers and residents of the proposed area and general growth of its program in the proposed service area.

waller

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9. Section C., Economic Feasibility, Item 5

Please verify the project's average gross charge, average deduction from operating revenue, and average net charge. Please include all gross charges in the calculations. Please revise if necessary.

Response: The project's average gross charge is \$8,901.37 in Year One and \$8,901.40 in Year Two. The average deduction from operation revenue is \$223.26 in Year One and \$223.27 in Year Two, for an average net charge of \$8,678.11 in Year One and \$8,678.13 in Year Two. The slight differences can be accounted for by rounding numbers.

10. Section C., Economic Feasibility, Item 6. A

The applicant expects the proposed project to be profitable in its third and subsequent years of operation. What does the applicant expect the net operating income less capital expenditures to be in Year 3 of the proposed project?

Response: The applicant expects its net operating income less capital expenditures in Year Three to be \$22,684. This is based on the applicant treating 30 patients from the proposed service area in Year Three without the expense of setting up a new office, which is reflected in Year Two.

11. Section C., Economic Feasibility, Item 10

Your response to this item is noted. Please provide the most recent audited financial statements with accompanying notes for Community Hospices of America-Tennessee, LLC and CLP Healthcare Services, Inc.

Response: The applicant does not have a separate financial statement. The consolidated unaudited preliminary balance sheet for the applicant's parent company, CLP, as well as a quarterly cash balance letter from Regions Bank reflecting adequate cash on hand to fund the expenses associated with the proposed project are included as Attachment C, Economic Feasibility-10.

12. Section C., Orderly Development, Item 2

Please complete the following chart by county to help in the assessment of what impact the proposed project may have on existing hospice providers in the service area.

Hospice Agency	Service Area Patients By Agency (2011)	Total Patients by Agency (2011)	Total Service Area Patients (2011)	Service Area Total as % of Total Service Area Patients (Market Share)	Service Area Total as % of Total Patients by Agency
Asercacare Hospice-McKenzie	11	713	293	3.8%	1.5%
Avalon Hospice	17	995	293	5.8%	1.7%
Baptist Memorial Homecare and Hospice	0	48	293	0%	0%
Caris Healthcare, LP-Davidson	22	812	293	7.5%	2.7%
Caris Healthcare, LP - Gibson	0	266	293	0%	0%
Henry County Medical Center Hospice	0	149	293	0%	0%
Hospice of West Tennessee	15	838	293	5.1%	1.8%
Magnolia Regional Health Center Home Health and	3	12	293	1.0%	25%
Mercy Hospice Inc. ¹	N/A	N/A	293	N/A	N/A
Tennessee Quality Hospice	115	408	293	39.2%	28.2%
Unity Hospice Care of Tennessee, LLC ¹	N/A	N/A	293	N/A	N/A
Volunteer Hospice	34	86	293	11.6%	39.5%

Sources: Tennessee Department of Health, Health Statistics, Joint Annual Reports of Hospice 2011
Tennessee Department of Health; Hospice Need Calculation Spreadsheet

1. 2011 Joint Annual Report was unavailable at the time this application was prepared.

13. Section C., Orderly Development, Item 8 and 9

The applicant responded "not applicable" to these two questions. Please provide a response to the two questions.

Response: There are no final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5%

waller

SUPPLEMENTAL- # 1

June 27, 2013

4:12 pm

Philip M. Earhart
June 27, 2013
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ownership interest in the applicant. There are no final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project.

If you have any questions or require additional information, please call me at (615) 850-8722.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim H. Looney". The signature is fluid and cursive, with the first name "Kim" and last name "Looney" clearly distinguishable.

Kim Harvey Looney
Waller Lansden Dortch & Davis, LLP

KHL:lag
Enclosures

**Attachment B.III(A)
Plot Plan**

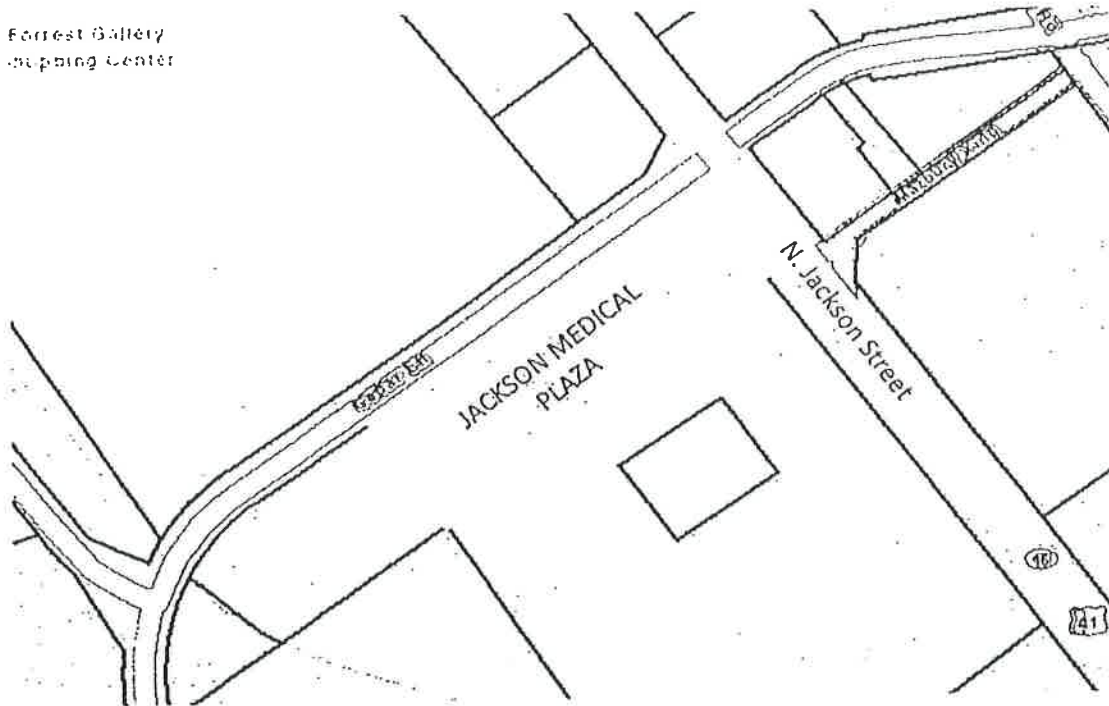
SUPPLEMENTAL- # 1

June 27, 2013

4:12 pm

Coffee County - Parcel: 109 061.02

Forrest Galtley
Shopping Center



Date Created: 3/15/2013

Google

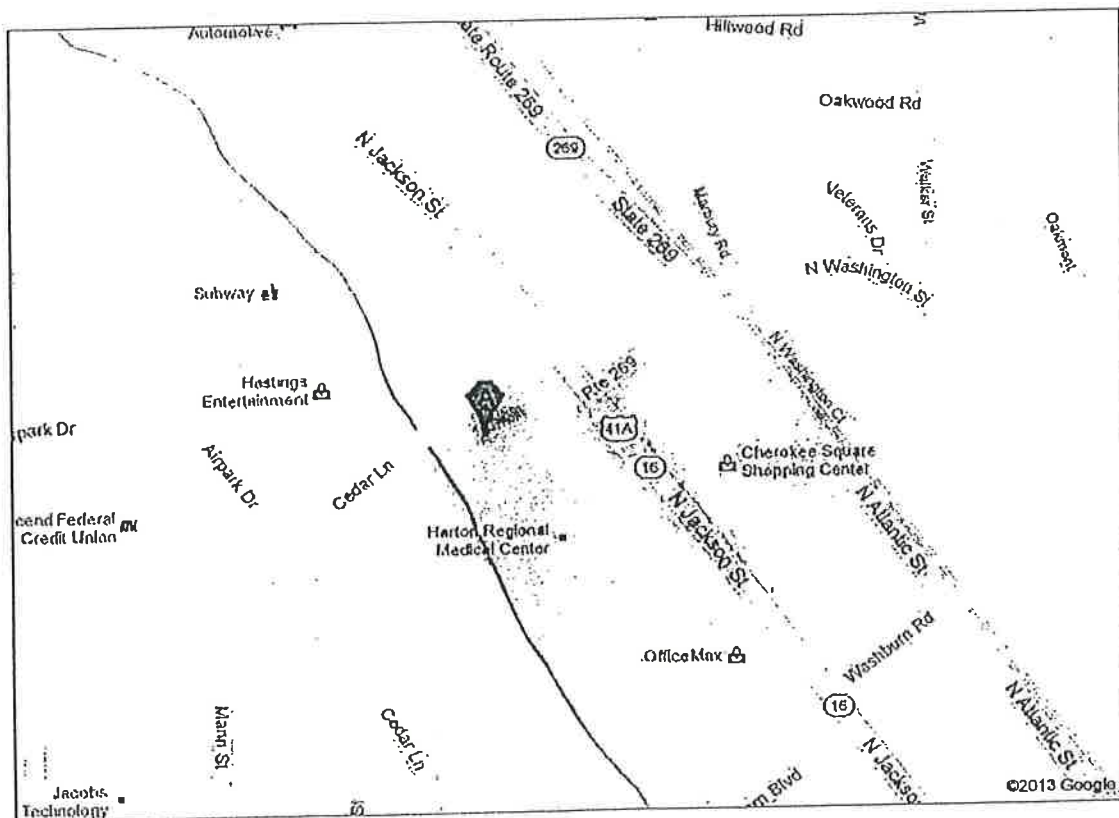
Hospice Compassus, near 1805 N Jackson
St, Tullahoma, Coffee, Tennessee 37388

Get Google Maps on your phone

Text the word "GMAPS" to 466453



- A. **Hospice Compassus**
1805 N Jackson St, Tullahoma, TN
(931) 455-9118
1 review



**Attachment C, Economic Feasibility-10
Balance Sheet**

Balance Sheet Highlights

	December 31	
	2012	2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,942,663	\$ 13,182,631
Accounts receivable from patient services	17,517,071	14,316,569
Other current assets	4,096,513	2,160,473
Total current assets	28,556,247	29,659,673
Property and equipment, net	6,205,013	5,754,705
Goodwill	137,073,587	126,956,637
Intangible assets, net	2,006,515	2,423,766
Other assets	1,277,933	1,635,078
Total assets	<u>\$ 175,119,295</u>	<u>\$ 166,429,859</u>
Liabilities and stockholders' equity		
Current liabilities	21,618,474	15,669,827
Long-term debt, less current maturities	69,734,208	74,570,609
Other noncurrent liabilities	1,469,841	1,469,841
Total liabilities	92,822,523	91,710,277
Total stockholders' equity	82,296,772	74,719,582
Total liabilities and stockholders' equity	<u>\$ 175,119,295</u>	<u>\$ 166,429,859</u>

June 27, 2013

4:12 pm



April 25, 2013

Community Hospices of America, Inc.
Kerry Massey
Vice President & Corporate Controller
12 Cadillac Dr. Suite 360
Brentwood, TN 37027-5361

To Whom It May Concern:

Mr. Massey:

Per your request please find below the 2012 month ending cash balances:

March 2012	\$3,314,650.87
June 2012	\$3,618,584.18
September 2012	\$3,991,274.95
December 2012	\$8,166,019.79

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in cursive script that reads "Karen Crowe".

Karen Crowe
Relationship Banking Assistant
Commercial Banking Officer
Phone: 205-326-5663

Attachment C-Need-1.a
Letters of Support

June 27, 2013

4:12 pm

Lawrence R. Jackson Jr. M.D.

P.O. Box 270

102 Hillwood Drive

Waverly, Tennessee 37185

Telephone 931-296-3555

June 25, 2013

Tennessee Health Services and Development Agency

Attn: Melanie M. Hill

Executive Director

161 Rosa L. Parks Blvd.

Nashville, TN 37243

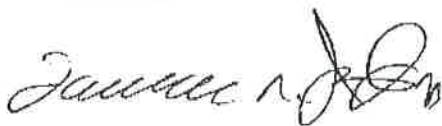
Dear Ms. Hill:

It is my understanding that Hospice Compassus has applied for a CON to expand its service area and that such expansion, if approved, would include Humphreys County. The purpose of this letter is to express my support for the approval of this CON application.

While there are several licensed hospice providers in Humphreys County, they generally do not treat a large volume of Humphreys County residents. I believe there are many more patients in Humphreys County who would benefit from hospice services than are currently receiving them. It would be tremendously beneficial to have an additional hospice provider in Humphreys County and to have Hospice Compassus, in particular, because of the specialized hospice services that it offers in the areas of palliative and pediatric hospice care. Residents of Humphreys County and their families would undoubtedly benefit by having access to these general and specialized hospice services.

I support this CON application and am committed to working with Hospice Compassus to increase patient access to quality hospice services in Humphreys County.

Sincerely,



Lawrence R. Jackson Jr. MD

Waverly Family Medicine

June 27, 2013

4:12 pm



THREE RIVERS HOSPITAL

451 Highway 13 South • Waverly, Tennessee 37185-2909
931-296-4203 • Fax 931-296-1013

JUN 27 PM 4 12
2013

May 9, 2013

Tennessee Health Services and Development Agency
Attn: Melanie M. Hill
Executive Director
161 Rosa L. Parks Blvd.
Nashville, TN 37243

Dear Ms. Hill:

The purpose of this letter is to express Three Rivers Hospital's support of Hospice Compassus' CON Application to expand its service area to include Decatur, Hardin, Humphreys, Perry and Wayne counties.

Three Rivers Hospital is located in Humphreys County. There is a need for additional hospice services in this County, and having access to the services that Hospice Compassus provides, including its palliative care and pediatric hospice services, would be tremendously beneficial for residents of Humphreys County.

Three Rivers Hospital supports this CON application and is committed to working with Hospice Compassus to increase patient access to quality hospice services in Humphreys County.

Sincerely,

Freda Russell, RN
CNO/Interim CEO
Three Rivers Hospital

FR/jbb

"This institution is an equal opportunity provider, and employer"



May 14th, 2013

To Whom it May concern,

I write this letter in support of Hospice Compassus as a letter of support for their expansion in the following counties:

- Lincoln County.
- Wayne County
- Perry County
- Decatur County
- Hardin County
- Humphrey's county

This area will allow Hospice Compassus to serve more patients from their new office in the Lawrenceburg community. I would validate as would the Veterans, I represent and take care of that a Certificate of Need would support the resources available to veterans and patients in these areas with a focus on their expansion in small more rural communities, where hospice services and providers has been limited.

Please feel free to contact me with any questions.

Sumi misra

Dr Sumi Misra, MD, MPH
Section Chief, Palliative Medicine
Tennessee Valley Healthcare System
Phone: 615-873-8170
Fax: 615-873-8173

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: Community Hospices of America--Tennessee, LLC d/b/a Hospice
Compassus - The Highland Rim CN1303-020

I, KIM H. LOONEY, after first being duly sworn, state under oath that I am the applicant
named in this Certificate of Need application or the lawful agent thereof, that I have
reviewed all of the supplemental information submitted herewith, and that it is true,
accurate, and complete.


Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 27th day of June, 2013, witness
my hand at office in the County of Davidson, State of Tennessee.


NOTARY PUBLIC

My commission expires January 6, 2011.

HF-0043

Revised 7/02



My Commission Expires JAN. 6, 2015

Copy

Supplemental #2

**Hospice Compassus/The
Highland Rim**

CN1306-020

2013 JUN 28

Kim Harvey Looney
Waller Lansden Dortch & Davis, LLP
615.850.8722 direct
kim.looney@wallerlaw.com

June 28, 2013

VIA HAND DELIVERY

Phillip M. Earhart
Health Services Examiner
Health Services and Development Agency
Frost Building, 3rd Floor
161 Rosa L. Parks Blvd.
Nashville, TN 37243

Re: CN1303-020
Community Hospices of America — Tennessee, LLC
d/b/a Hospice Compassus - The Highland Rim
Request for Additional Information to Supplemental Responses

Dear Phillip:

This letter is submitted as the response to your letter dated June 20, 2013 wherein additional information or clarification was requested regarding the above-referenced CON application supplemental responses.

1. Section A., Applicant Profile, Item 4

Your response to this item is noted. Is CLP a corporation or limited liability company (LLC)? If it is an LLC please identify each member and each member's percentage of ownership.

Response: The parent company is CLP Healthcare Services, Inc.

2. Section A., Applicant Profile, Item 4.A and 4.B.

Your response to this item is noted. Population projections based on the 2010 census is now available from the Department of Health, Division of Health Statistics. Please contact the Division of Health Statistics for this data and update the demographic table accordingly.

Response: The Department of Health updated its demographic tables earlier this month. Please see attached revised population projections chart.

waller

SUPPLEMENTAL- # 2

June 28, 2013

3:26 pm

Philip M. Earhart

June 28, 2013

Page 2

2013 JUN 28 PM 3 25

3. Section C, Economic Feasibility, Item 5

Please explain why the gross revenue from inpatient services was excluded from the gross charge per patient revenue. The net charge revenue per patient does not appear to match with the information in the Projected Data Chart. Please address these issues.

Response: The applicant is not sure why gross revenue inpatient services was excluded from the gross charge per patient revenue. The correct information is as follows:

The applicant's average gross charge is \$9,083.05 in Year One and \$9,083.06 in Year Two. The average deduction from operating revenue is \$223.26 in Year One and \$223.27 in Year Two for an average net charge of \$8,859.79 in Year One and \$8,859.80 in Year Two.

If you have any questions or require additional information, please call me at (615) 850-8722.

Sincerely,



Kim Harvey Looney
Waller Lansden Dortch & Davis, LLP

KHL:lag
Enclosures

POPULATION PROJECTIONS

SUPPLEMENTAL- # 2

June 28, 2013

3:26 pm

Decatur County			
Age	2013	2017	% Increase
0 to 19	2,749	2,800	0.2%
20 to 44	3,280	3,488	(2.2%)
45 to 64	3,192	3,078	(2.0%)
65 to 74	1,463	1,479	6.0%
75 plus	1,089	1,147	6.9%
Total All Ages:	11,773	12,009	0.2%
Hardin County			
Age	2013	2017	% Increase
0 to 19	5,981	6,006	2.4%
20 to 44	7,164	7,046	(1.0%)
45 to 64	7,583	7,413	(1.5%)
65 to 74	3,106	3,317	9.7%
75 plus	2,134	2,402	7.6%
Total All Ages:	25,968	28,814	1.7%
Humphreys County			
Age	2013	2017	% Increase
0 to 19	4,595	4,522	2.6%
20 to 44	5,208	5,212	0.8%
45 to 64	5,195	5,075	(0.8%)
65 to 74	2,035	2,136	7.9%
75 plus	1,455	1,606	8.4%
Total All Ages:	18,488	18,551	2.2%
Perry County			
Age	2013	2017	% Increase
0 to 19	1,944	1,916	1.3%
20 to 44	2,102	2,048	0.5%
45 to 64	2,269	2,268	(2.2%)
65 to 74	988	1,087	9.2%
75 plus	668	764	4.5%
Total All Ages:	7,971	8,083	1.3%
Wayne County			
Age	2013	2017	% Increase
0 to 19	3,514	3,417	2.8%
20 to 44	5,698	5,380	0.3%
45 to 64	4,751	4,786	(1.1%)
65 to 74	1,707	1,850	8.4%
75 plus	1,217	1,315	9.1%
Total All Ages:	16,887	16,748	2.0%
Proposed Service Area Total			
Age	2013	2017	% Increase
0 to 19	18,783	18,678	2.1%
20 to 44	23,452	23,184	(0.3%)
45 to 64	22,990	22,620	(1.4%)
65 to 74	9,299	9,869	8.5%
75 plus	6,563	7,234	7.7%
Total All Ages:	81,087	82,205	1.6%
State of Tennessee			
Age	2013	2017	% Increase
0 to 19	1,670,916	1,700,151	2.5%
20 to 44	2,158,175	2,196,167	1.3%
45 to 64	1,748,746	1,803,561	1.5%
65 to 74	562,705	650,554	13.0%
75 plus	387,472	421,589	7.9%
Total All Ages:	6,528,014	6,772,022	3.2%

Source: Tennessee Department of Health, Office of Policy, Planning and Assessment, Division of Health Statistics.

AFFIDAVIT

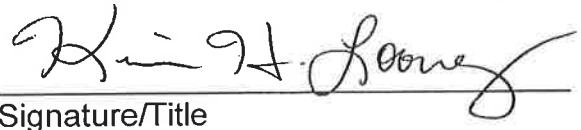
STATE OF TENNESSEE

COUNTY OF DAVIDSON

2013 JUN 28 PM 3 25

NAME OF FACILITY: Community Hospices of America--Tennessee, LLC d/b/a Hospice
Compassus - The Highland Rim CN1303-020

I, KIM H. LOONEY, after first being duly sworn, state under oath that I am the applicant
named in this Certificate of Need application or the lawful agent thereof, that I have
reviewed all of the supplemental information submitted herewith, and that it is true,
accurate, and complete.



Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 28th day of June, 2013, witness
my hand at office in the County of Davidson, State of Tennessee.


NOTARY PUBLIC

My commission expires January 6, 2011.

HF-0043

Revised 7/02



My Commission Expires JAN. 6, 2015



Hospice: Your Life, Our Mission®

SEP 10 '13 PM 12:09

September 9, 2013

VIA: Overnight Mail

Ms. Melanie Hill, Executive Director
Health Services & Development Agency
161 Rosa L Parks Blvd., 3rd Floor
Nashville, TN 37243

RE: Community Hospices of America – Tennessee, LLC, d/b/a Hospice Compassus – Highland Rim, CN1306-020 - **OPPOSITION LETTER**

Dear Ms. Hill:

We have recently learned of the above mentioned certificate of need project set to appear before the Health Service and Development Agency on September 25, 2013. Please be advised that we are opposed to CN1306-020, and would ask that the Agency deny the Compassus request to add the following counties to its existing license, Decatur, Hardin, Humphreys, Perry and Wayne counties based primarily on the fact that the proposed service area is already adequately served. **Because the aforementioned application will duplicate existing services and adversely impact the existing hospice care delivery system, I am writing this letter in opposition to the project pursuant to T.C.A., Section 68-11-1609(g)(1).**

Ms. Hill, as an existing provider in the target market, I have firsthand knowledge of the local needs being met by our agency and other licensed agencies. Consequently, the addition of another agency will not only duplicate and drive up the cost for services already provided, but it will also adversely deplete the existing nursing pool of trained nursing professionals. Consequently, the approval of the Compassus CON would negatively impact existing providers and ultimately the patients using and paying for the services by not contributing to the orderly development of health care. Our agency currently serves patients throughout the proposed service area and is quite capable and willing to admit additional patients in need of hospice care. Please note that the new Guidelines for Growth formula, this is the first application filed under the new criteria, and projected need (surplus) for the applicant's proposed service area, as calculated by the Department of Health, Division of Health Statistics, reflects that the applicant does not meet the need criteria in that need must be shown for at least 120 additional hospice service recipients in the proposed Service Area. The projection shown in the Department of Health's report for this project show a projected need spread across the five county area of 47 patients, or only 39 percent of the need threshold. These 47 patients can be easily served by the existing providers, who have demonstrated through increased utilization in the JAR reports that they can accommodate growth in patient volume.

In summary, we are opposed to this CON and ask that it not be approved. There are already more than adequate existing providers delivering high quality hospice services. If you need any additional information please do not hesitate to call me.

Sincerely,

Caris Healthcare L.P. d/b/a Caris Healthcare, Nashville, and Caris Healthcare, Somerville

Norman McRae
President/CEO

www.carishealthcare.com

10651 Coward Mill Road \$ Knoxville, TN 37931 \$ 865.694.4762 \$ fax 865.934.4291

Cc: Ms. Kim H. Looney, President
Waller Lansden Dortch & Davis, LLP
511 Union Street, Suite 2700
Nashville, TN 37219

Via: Regular Mail

SEP 10 '13 PM 12:09

September 9, 2013

VIA: Overnight Mail

Ms. Melanie Hill, Executive Director
Health Services & Development Agency
161 Rosa L Parks Blvd., 3rd Floor
Nashville, TN 37243

RE: Community Hospices of America – Tennessee, LLC, d/b/a Hospice Compassus – Highland Rim,
CN1306-020 - **OPPOSITION LETTER**

Dear Ms. Hill:

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Ms. Hill, as an existing provider in the target market, I have firsthand knowledge of the local needs being met by our agency and other licensed agencies. Consequently, the addition of another agency will not only duplicate and drive up the cost for services already provided, but it will also adversely deplete the existing nursing pool of trained nursing professionals. Consequently, the approval of the Compassus CON would negatively impact existing providers and ultimately the patients using and paying for the services by not contributing to the orderly development of health care. Our agency currently serves patients throughout the proposed service area and is quite capable and willing to admit additional patients in need of hospice care. Please note that the new Guidelines for Growth formula, this is the first application filed under the new criteria, and projected need (surplus) for the applicant's proposed service area, as calculated by the Department of Health, Division of Health Statistics, reflects that the applicant does not meet the need criteria in that need must be shown for at least 120 additional hospice service recipients in the proposed Service Area. The projection shown in the Department of Health's report for this project show a projected need spread across the five county area of 47 patients, or only 39 percent of the need threshold. These 47 patients can be easily served by the existing providers, who have demonstrated through increased utilization in the JAR reports that they can accommodate growth in patient volume.

In summary, we are opposed to this CON and ask that it not be approved. There are already more than adequate existing providers delivering high quality hospice services. If you need any additional information please do not hesitate to call me.

Sincerely,

Caris Healthcare L.P. d/b/a Caris Healthcare, Nashville, and Caris Healthcare, Somerville



Norman McRae
President/CEO

Cc: Ms. Kim H. Looney, President
Waller Lansden Dortch & Davis, LLP
511 Union Street, Suite 2700
Nashville, TN 37219

Via: Regular Mail

September 10, 2013

Melanie M. Hill
Executive Director
Tennessee Health Services and Development Agency
Frost Building, 3rd Floor
161 Rosa L. Parks Boulevard
Nashville, TN 37243

Jerry W. Taylor
(615) 782-2228
(615) 742-0703 FAX
jerry.taylor@stites.com

RE: Community Hospices of America - Tennessee, LLC, d/b/a Hospice Compassus -
The Highland Rim
CN1306-020

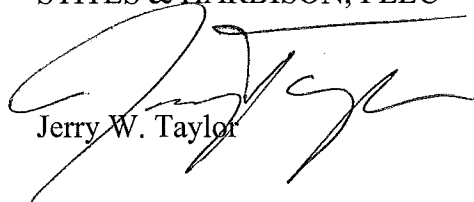
Dear Ms. Hill:

I am writing on behalf of Tennessee Quality Hospice to express its opposition to the above referenced certificate of need application. Tennessee Quality Hospice has been providing hospice services to the area since 1997, including all five counties which the applicant seeks to add to its service area. Tennessee Quality Hospice serves hospice eligible patients of all ages, including children.

The application fails to meet the criteria of need, economic feasibility and contribution to the orderly development of health care. Representatives of Tennessee Quality Hospice will be in attendance at the meeting at which this matter will be considered in order to express its concerns more fully. Thank you.

Sincerely yours,

STITES & HARBISON, PLLC



Jerry W. Taylor

cc: Kim Harvey Looney, Esq.

SUPPORT LETTER(S)

Community Hospices of America-
Tennessee, LLC d/b/a Hospice compassus-
The Highland Rim

Tullahoma (Coffee County)

CN1306-020



511 Union Street, Suite 2700
P.O. Box 198966
Nashville, TN 37219-8966

615.244.6380 main
615.244.6804 fax
wallerlaw.com

Kim Harvey Looney
615.850.8722 direct
kim.looney@wallerlaw.com

SEP 16 '13 PM1:07

September 16, 2013

VIA HAND DELIVERY

Melanie Hill
Executive Director
Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd.
Nashville, TN 37243

Re: Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim CN1303-020- To initiate services in Decatur, Hardin, Humphreys, Perry and Wayne Counties.

Dear Melanie:

Enclosed please find a chart identifying letters of support and the counties for which they have been submitted. As you can see, letters have been requested for every county. Please call me if you have any questions.

Sincerely,

Kim Harvey Looney

KHL:lag
Enclosure

**Hospice Compassus-The Highland Rim
CN1303-020**

SEP 16 '13 PM 1:07

Letters of Support

	Decatur County	Hardin County	Humphreys County	Perry County	Wayne County
Tennessee Oncology/Habib Doss, M.D.	X	X	X	X	X
Tennessee Valley Healthcare System/ Dr. Sumi Misra, M.D.	X	X	X	X	X
Decatur County General Hospital/ Angie Pucket RN ADON	X				
Family Clinic of Parsons-Kim Inman, FNP-C	X				
Savannah Medical Center P.C./Michael L. Smith M.D.		X			
Three Rivers Hospital/Freda Russell, RN, Interim CEO			X		
Waverly Family Medicine /Lawrence R. Jackson, Jr., M.D.			X		
Perry Community Hospital/Jodonna Mathis, DON				X	
FHG Waynesboro/ Harish Veeramachaneni, M.D.					X
Wayne Medical Center/Jacques Heibig, M.D.					X
Wayne Medical Center/Diane Perry- Craig, BSN, RN, CNO					X

Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

This is a letter of support for Hospice Compassus to expand services to Decatur, Hardin, Humphreys, Perry, and Wayne counties. Currently, I am limited on the choice of hospice providers in the area. I understand Hospice Compassus has a strong focus on quality of care, and their Medical Director, Ben Gardner, is the only Hospice and Palliative Medicine Certified physician, in the surrounding area.

Hospice Compassus is also expanding their pediatric services and their nurses are receiving specialized end of life training for pediatric patients, based on the National Hospice and Palliative Care guidelines. This will enhance the quality of care these children will receive. This is currently not offered in these counties. I support this CON request in general as it will offer increased access to patients in Decatur, Hardin, Humphreys, Perry, and Wayne counties.

Respectfully submitted,



Habib Doss, M.D.
103 Natchez Park Drive
Dickson, TN 37055
(615) 740-7025



May 14th, 2013

To Whom it May concern,

I write this letter in support of Hospice Compassus as a letter of support for their expansion in the following counties:

- Lincoln County.
- Wayne County
- Perry County
- Decatur County
- Hardin County
- Humphrey's county

This area will allow Hospice Compassus to serve more patients from their new office in the Lawrenceburg community. I would validate as would the Veterans, I represent and take care of that a Certificate of Need would support the resources available to veterans and patients in these areas with a focus on their expansion in small more rural communities, where hospice services and providers has been limited.

Please feel free to contact me with any questions.

Sumi misra

Dr Sumi Misra, MD, MPH
Section Chief, Palliative Medicine
Tennessee Valley Healthcare System
Phone: 615-873-8170
Fax: 615-873-8173

Decatur County General Hospital

*969 Tennessee Avenue, South, P.O. Box 250
Parsons, TN 38363*

SEP 10 '13 PM3:45

Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

This is a letter of support for Hospice Compassus to expand services to Decatur County. I am the Assistant DON at Decatur County General Hospital in Decatur County. We currently are limited in our hospice providers in Decatur County and would appreciate having another hospice that could provide services to our patients. I understand Hospice Compassus has a strong focus on service and quality care to ALL patients. They are also willing to accept non-funded patients which sometimes can be more challenging to find placement for. Their Medical Director, Ben Gardner, MD is the only Hospice and Palliative Certified physician, in the surrounding area.

I support this CON request in general as it will offer increased access to patients in Decatur and the surrounding counties. It will allow more options for patient choice than is currently available.

Respectfully submitted,

Angie Puckett RN, ADON

Angie Pucket. RN ADON
Decatur County General Hospital
969 Tennessee Ave. South
Parsons, TN 38363

*Telephone (731) 847-3031 Fax (731) 847-1122
www.dcg.h.org*

FAMILY CLINIC OF PARSONS

Phone:
731-847-7778

Kim Inman, FNP

Fax:
731-847-9993

766 Tennessee Ave S. Parsons, TN 38363


Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America -- Tennessee, LLC d/b/a Hospice Compassus -- The
Highland Rim

This is a letter of support for Hospice Compassus to expand services to Decatur County. I am a Nurse Practitioner at Family Clinic of Parsons. I would appreciate having another hospice that I could refer patients to in Decatur County. Currently I am limited on the choice of hospice providers in the area. I understand Hospice Compassus has a strong focus on quality of care, and their Medical Director, Ben Gardner, is the only Hospice and Palliative Medicine Certified physician, in the surrounding area.

Hospice Compassus is also expanding their pediatric services and their nurses are receiving specialized end of life training for pediatric patients, based on the National Hospice and Palliative Care guidelines. This will enhance the quality of care these children will receive. This is currently not offered in the Decatur County area. I support this CON request in general as it will offer increased access to patients in Decatur and the surrounding counties.

Respectfully submitted,



Kim Inman, FNP-C
Family Clinic of Parsons
766 Tennessee Ave.
Parsons, TN 38363

Savannah Medical Center, P.C.

MICHAEL SMITH, M.D.



255 B WAYNE ROAD
SAVANNAH, TN 38372
731-925-8016

Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

This letter is to support Hospice Compassus to provide hospice services in Hardin County. As a local physician in Savannah, I know the quality of service and the types of services are limited due to the lack of providers in the area. I strongly believe Hospice Compassus's service will increase the quality and availability of care to the community. Additionally, my office Savannah Medical Center, PC and the area would greatly benefit from their full Pediatric Program.

I support and request that Hospice Compassus be granted the privilege to provide hospice services in Hardin County.

Thank you,

A handwritten signature in black ink that reads "Michael L. Smith".

Michael L. Smith, MD
255B Wayne Rd.
Savannah, TN 38372



THREE RIVERS HOSPITAL

451 Highway 13 South • Waverly, Tennessee 37185-2909
931-296-4203 • Fax 931-296-1013

May 9, 2013

Tennessee Health Services and Development Agency
Attn: Melanie M. Hill
Executive Director
161 Rosa L. Parks Blvd.
Nashville, TN 37243

Dear Ms. Hill:

The purpose of this letter is to express Three Rivers Hospital's support of Hospice Compassus' CON Application to expand its service area to include Decatur, Hardin, Humphreys, Perry and Wayne counties.

Three Rivers Hospital is located in Humphreys County. There is a need for additional hospice services in this County, and having access to the services that Hospice Compassus provides, including its palliative care and pediatric hospice services, would be tremendously beneficial for residents of Humphreys County.

Three Rivers Hospital supports this CON application and is committed to working with Hospice Compassus to increase patient access to quality hospice services in Humphreys County.

Sincerely,

Freda Russell, RN
CNO/Interim CEO
Three Rivers Hospital

FR/jbb

"This institution is an equal opportunity provider, and employer"

Lawrence R. Jackson Jr. M.D.

P.O. Box 270
102 Hillwood Drive
Waverly, Tennessee 37185

Telephone 931-296-3555

June 25, 2013

Tennessee Health Services and Development Agency

Attn: Melanie M. Hill

Executive Director

161 Rosa L. Parks Blvd.

Nashville, TN 37243

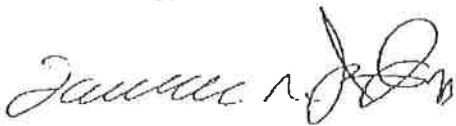
Dear Ms. Hill:

It is my understanding that Hospice Compassus has applied for a CON to expand its service area and that such expansion, if approved, would include Humphreys County. The purpose of this letter is to express my support for the approval of this CON application.

While there are several licensed hospice providers in Humphreys County, they generally do not treat a large volume of Humphreys County residents. I believe there are many more patients in Humphreys County who would benefit from hospice services than are currently receiving them. It would be tremendously beneficial to have an additional hospice provider in Humphreys County and to have Hospice Compassus, in particular, because of the specialized hospice services that it offers in the areas of palliative and pediatric hospice care. Residents of Humphreys County and their families would undoubtedly benefit by having access to these general and specialized hospice services.

I support this CON application and am committed to working with Hospice Compassus to increase patient access to quality hospice services in Humphreys County.

Sincerely,



Lawrence R. Jackson Jr. MD

Waverly Family Medicine

Perry Community Hospital

2718 Squirrel Hollow Drive • Linden, Tennessee 37096 • (931) 589-2121

AUG 30 '13 PM 12:19

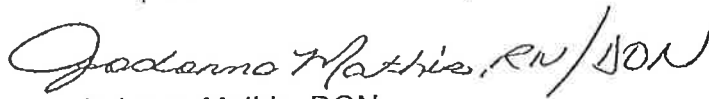
Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd.,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

I am writing to provide my support for Hospice Compassus to expand their hospice services to Perry County. As the Director of Nursing for Perry Community Hospital, I feel the addition of another hospice provider will greatly improve access to care along with service and quality. I feel that Hospice Compassus specifically is positioned to help with this due to their pediatric hospice program and their Hospice and Palliative Certified physician.

I respectfully request the CON Board to support Hospice Compassus in expanding their services to Perry County.

Thank you,



Jodonna Mathis, DON
Perry Community Hospital
2718 Squirrel Hollow Road
Linden, TN 37096



WAYNESBORO

FHGMedical.com

SEP 11 '13 AM 11:17

101 J.V. Mangubat Drive, Suite B
Waynesboro, Tennessee 38485
O 931.722.9999 F 931.722.2049

Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

I am writing this letter to show my support for Hospice Compassus to provide hospice services in Wayne County. As a board certified geriatric physician, I can speak to the need for an additional hospice provider in our community to raise both the awareness of the service and the quality of the care provided. Hospice Compassus would further increase the quality of service in Waynesboro with their board certified Hospice and Palliative Care physicians.

I support Hospice Compassus and their pursuit to service Wayne County. Please consider their application and the needs of our county.

Respectfully,

Harish Veeramachaneni, MD
107 Jv Mangubat Dr.
Waynesboro, TN 38485

SEP 11 '13 PM 3:40

Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

This is a letter of support for Hospice Compassus to expand services to Wayne County, TN. As a Board Certified Cardiologist, I see cardiac patients weekly from Wayne Medical Center, in Waynesboro TN. I would appreciate having another hospice that I could refer patients to in that area. I currently refer patients to Hospice Compassus when working from my office at Maury Regional Medical Center. Hospice Compassus' Medical Directors, Ben Gardner, MD and Maura Lipp, MD are both board certified in Hospice and Palliative Medicine. They partner with me to provide care to current patients and it would be excellent to have them available in Wayne County also. Currently I am limited on the choice of hospice providers in this area. I know Hospice Compassus has a strong focus on quality of care. My patients and families that have been cared for by Hospice Compassus in the Columbia area are pleased with the care they have received. Hospice Compassus uses the National Hospice and Palliative Care guidelines to educate their clinical staff. I support this CON request in general as it will offer increased access to patients in Wayne and the surrounding counties.

Respectfully submitted,

Jacques Heibig, MD
Wayne Medical Center
103 J.V. Mangubat Dr.
Waynesboro, TN 38485

Heibig

09-10-2013



WAYNE
MEDICAL CENTER

Health Services and Development Agency
Frost Building, Third Floor
161 Rosa L. Parks Blvd,
Nashville, TN 37243
Melanie Hill, Executive Director

Re: CN1307-023
Community Hospices of America – Tennessee, LLC d/b/a Hospice Compassus – The
Highland Rim

This is a letter of support for Hospice Compassus to expand services to Wayne County. I am the Chief Nursing Officer at Wayne Medical Center in Waynesboro, TN. I have previous experience in Oncology nursing and have worked with hospice patients during my tenor at Maury Regional Medical Center. I would appreciate having a hospice provider that could partner with Wayne Medical Center to provide General Inpatient level of care, as well as home based hospice care. I also understand Hospice Compassus provides services to pediatric patients, and their staff has received specialized training in the area. This is an area of need in our community.

Hospice Compassus has a strong focus on quality of care and their staff has received specialized training based on the NHPCO hospice and palliative medicine guidelines. I have also worked with their Medical Director, Ben Gardner, MD who is certified in Hospice and Palliative Medicine. I support Hospice Compassus in there CON request to expand services in Wayne County. .

Respectfully submitted,

Diane Perry-Craig, CNO

Diane Perry-Craig, BSN, RN
Chief Nursing Officer
Wayne Medical Center
Waynesboro, TN 38485



LETTER OF INTENT TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the

News Leader (Decatur); Savannah Courier
(Hardin); The News Democrat
(Humphreys); Buffalo River Review
(Perry); and Wayne County News (Wayne)
(Name of Newspaper)

of general circulation in Decatur; Hardin,
Humphreys, Perry
and Wayne counties, Tennessee, on or before June 10, 20 13
(County) (Month/Day) (Year)
for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Hospice Compassus-The Highland Rim, Hospice
(Name of Applicant) (Facility Type-Existing)

owned by: Community Hospices of America-
Tennessee, LLC with an
ownership type of limited liability company

and to be managed by: itself intends to file an application for a Certificate of Need

for [PROJECT DESCRIPTION BEGINS
HERE]:

To initiate services in Decatur, Hardin, Humphreys, Perry and Wayne Counties,

Tennessee. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman,
Lawrence, Lewis, Marshall, Maury, and Moore Counties, and has applied for a Certificate of Need in Lincoln County. The
cost of this project is approximately \$75,000. Hospice Compassus-The Rim's home office is located at
1805 N. Jackson St., Suites 5 & 6, Tullahoma, TN 37388.

The anticipated date of filing the application is: June 10, 20 13

The contact person for this project is Kim Harvey Looney Attorney
(Contact Name) (Title)

who may be reached at: Waller Lansden Dortch & Davis LLP 511 Union Street, Suite 2700
(Company Name) (Address)

Nashville TN 37219 615 850-8722
(City) (State) (Zip Code) (Area Code) (Phone Number)

Kim H. Looney 6/5/2013 Kim.Looney@wallerlaw.com
(Signature) (Date) (Email-Address)

The Letter of Intent must be filed in triplicate and received between the first and the tenth day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency
The Frost Building, Third Floor
161 Rosa L. Parks Boulevard
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

HF51 (revised 01/09/2013 – all forms prior to this date are obsolete.

**CERTIFICATE OF NEED
REVIEWED BY THE DEPARTMENT OF HEALTH
DIVISION OF POLICY, PLANNING, ASSESSMENT
615-741-1954**

DATE: August 1, 2013

APPLICANT: Community Hospices of America-Tennessee, LLC
d/b/a Hospice Compassus-The Highland Rim
105 North Jackson Street, Suites 5 & 6
Tullahoma, Tennessee

CON#1306-020

CONTACT PERSON: Kim H. Looney, Attorney
Waller Lansden Dortch & Davis, LLP
Suite 2700, 511 Union Street
Nashville, Tennessee 37219

COST: \$63,000

In accordance with Section 68-11-1608(a) of the Tennessee Health Services and Planning Act of 2002, the Tennessee Department of Health, Division of Policy, Planning, and Assessment reviewed this certificate of need application for financial impact, TennCare participation, compliance with *Tennessee's Health: Guidelines for Growth, 2011 Edition*, and verified certain data. Additional clarification or comment relative to the application is provided, as applicable, under the heading "Note to Agency Members."

SUMMARY:

The applicant, Hospice Compassus-Highland Rim, located in Tullahoma (Coffee County), Tennessee, seeks Certificate of Need (CON) approval to expand their service area to deliver hospice services to the residents of Decatur, Hardin, Humphreys, Perry, and Wayne counties. The applicant is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore counties, and has applied for a CON for Lincoln County.

In addition to providing hospice services, Hospice Compassus provides perinatal and pediatric hospice services, and offers a palliative care program.

The applicant proposes to provide hospice services to patients in their homes. Hospice Compassus currently has employees who reside in Lincoln County who would provide service to Lincoln County residents.

The applicant is owned by Community Hospice of America-Tennessee, LLC.

The total project cost is \$63,000 and will be funded through cash reserves as noted by the Chief Financial Officer in Attachment C, Economic Feasibility-2.

GENERAL CRITERIA FOR CERTIFICATE OF NEED

The applicant responded to all of the general criteria for Certificate of Need as set forth in the document *Tennessee's Health: Guidelines for Growth, 2000 Edition*.

NEED:

The applicant's service area includes Decatur, Hardin, Humphreys, Perry, and Wayne counties.

The chart located below illustrates the population projected four years into the future.

Service Area 2013 and 2017 Population Projections

County	2013 Population	2017 Population	% Increase/ (Decrease)
Decatur	11,773	12,009	0.2%
Hardin	25,968	26,184	0.8%
Humphreys	18,488	18,551	0.3%
Perry	7,971	8,083	1.3%
Wayne	16,887	16,748	0.8%
Total	81,087	81,575	0.6%

Source: *Tennessee Population Projections 2000-2020, February 2010 Revision*, Tennessee Department of Health, Division of Policy, Planning, and Assessment

The applicant provides perinatal and pediatric hospice services as well as palliative care hospice services. The applicant does not know of any other licensed provider in the proposed service that provides these services.

The applicant reports they have had great success with its specialized hospice services throughout the rest of the service area. They state they work closely with Vanderbilt's Children's Hospital, St. Jude Children's Research Hospital, Huntsville Hospital and others, and have developed a network of providers that work together to improve the quality of life of hospice patients and their families by providing them with high quality of care while reducing unnecessary travel, and counseling and support throughout a difficult process. Hospice Compassus' perinatal and pediatric hospice services complement each other. In the perinatal program, the hospice service includes attending physician appointments whose baby is expected to live for only a short while, provide grief counseling and support to the expectant mother for the entire family, including siblings. The clinical aspect includes the type of comfort that can be medically provided to the baby.

The applicants established pediatric program is already providing service to patients and their families. The pediatric hospice patients have included children age 3 months through 9 years of age who suffer from pediatric cancer, genetic disorders, and other fatal illnesses. Currently, two of the patients are indigent.

Note to Agency Members: The applicant documents in the Joint Annual Report of Hospices that it served three (3) patients in the 0-17 age cohort out of 775 total patients served during the reporting period. As noted previously, this would represent 0.39% of its patients. The traditional hospice services rendered to the adult population represent 99.61% of its patients. The applicant noted it recently received three (3) referrals from Lincoln County involving the perinatal/pediatric aged individuals. It may be useful to seek clarification from the applicant if the remaining adult patients balance of would represent new types of services not otherwise provided by existing hospice providers.

The applicant believes their palliative care program will be of significant value to residents of the proposed service area who are suffering from chronic illnesses such as congestive heart failure or COPD. Because the life expectancy of these patients is generally greater than six months, they are not yet appropriate candidates for regular hospice care but are still in need of quality care. The applicant established its palliative care program which sees patients in a consultative model and works to treat and manage their symptoms at home. The applicant reports they have applied for a Medicare Part B palliative care license that set them apart from most other providers.

The applicant's hospice and palliative care services are designed to assist hospitals in reducing the number of hospital and admission days, ICU admissions and days, 30 day hospital admissions and

in hospital deaths, as supported by a study from Mount Sinai's Icahn School of Medicine, published in the March 2013 edition of *Health Affairs*. The initiation of this service is expected to have a significant impact on hospital reimbursement, alleviating the negative impact on reimbursement that results from extended stays and frequent re-admissions.

Projected Need/(Surplus) for Hospice Services

County	Hospice Patients Served 2010	Hospice Patients Served 2011	Mean	Total Deaths 2010	Total Deaths 2011	Mean	Hospice Penetration Rate	80%
Decatur	51	45	48	159	146	153	0.315	5
Hardin	73	96	85	291	311	329	0.281	20
Humphreys	42	62	52	189	224	207	0.252	20
Perry	22	21	22	78	95	87	0.249	9
Wayne	57	69	63	157	155	156	0.404	(9)
								45

Source: *Tennessee Mortality Data, 2010-2011* and the *Joint Annual Report of Hospices 2010-2011*

Eighty (80%) of the statewide median hospice penetration rate is 0.348. The above hospice formula shows a need of 5 in Decatur County, 20 in Hardin County, 20 in Humphreys, 9 in Perry, and a surplus of (9) in Wayne County. The service area total need is calculated to be 45.

The applicant projects 19 patients in year one and 30 patients in year two of the project.

TENNCARE/MEDICARE ACCESS:

The applicant is both a Medicare and a TennCare provider and participates in TRICARE/CHAMPUS.

The applicant anticipates revenues of from TRICARE/CHAMPUS will be \$505, Medicare revenues will be \$132,817, TennCare revenues will total \$23,567, revenues from private pay will be \$84, and revenues \$11,447 from other sources.

ECONOMIC FACTORS/FINANCIAL FEASIBILITY:

The Department of Health, Division of Policy, Planning, and Assessment has reviewed the Project Costs Chart, the Historical Data Chart, and the Projected Data Chart to determine they are mathematically accurate and the projections are based on the applicant's anticipated level of utilization. The location of these charts may be found in the following specific locations in the Certificate of Need Application or the Supplemental material:

Project Costs Chart: The Project Costs Chart is located in Supplemental 1 of the application. The projects total estimated project cost is \$63,000.

Historical Data Chart: The applicant provides a Historical Data Chart in Supplemental 1 of the application. The applicant reports a net operating income of \$522,246, \$1,140,329 and \$1,566,847 in 2010, 2011, and 2013.

Projected Data Chart: The Projected Data Chart is located in Supplemental 1 of the application. The applicant projects 19 patients in year one and 30 patients in year two with a net operating income of \$14,180 and (\$19,014) each year, respectively. The year two loss is due to establishment of a third office in the vicinity of Hickman and Perry counties.

The applicant reported the 2012 Medicare per diem rates of \$132 for routine hospice care, \$768 for continuous hospice care, \$593 for general inpatient, \$141 for respite inpatient. The applicant provides a comparison of other providers Medicare per diem rates of existing providers in the service area on page 43 of the application.

The applicant stated there were no less costly, more effective, and/or more efficient alternative methods of providing benefits to the residents of the service area, especially for the specialized perinatal and pediatric hospice services and palliative care services.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTHCARE:

The applicant has or plans to have contractual and/or working relationships with Lincoln Medical Center, Lincoln Medical Center Home Health, Elk Valley Home Health, Lincoln Donelson Care Center, Fayetteville Care and Rehabilitation Center, United Healthcare, AmeriGroup, BlueCross BlueShield, United Healthcare, Aetna, Cigna, HealthSpring, and Huntsville Hospital.

The applicant believes approval of this project will result in a significant positive effect on the health care system with no negative effects on current providers. There will be no duplication of services because no other providers offer perinatal and pediatric hospice services or palliative services that Hospice Compassus does.

The applicant's current staffing model is 1.0 FTE registered nurse per 14 patients. The applicant projects 19 patients in year one, resulting in an average daily census of 3.5 patients. This results in the need for 0.30 FTE registered nurses to treat these patients. The applicant also is planning on staffing 0.30 FTE home health aides and 0.25 FTE social workers to provide services to residents of the proposed service area.

Hospice Compassus participates in the nurse training program operated by Motlow State Community College.

The applicant will be licensed by the Tennessee Department of Health, Board for Licensing Healthcare Facilities. The most recent licensure survey occurred on April 12-14, 2010 and no deficiencies were found.

SPECIFIC CRITERIA FOR CERTIFICATE OF NEED

The applicant responded to all relevant specific criteria for Certificate of Need as set forth in the document *Tennessee's Health: Guidelines for Growth, 2000 Edition*.

RESIDENTIAL HOSPICE SERVICES AND HOSPICE SERVICES

The Health Services and Development Agency (HSDA) may consider the following standards and criteria for applications seeking to provide Residential Hospice and Hospice services. Existing providers of Residential Hospice and Hospice services are not affected by these standards and criteria unless they take an action that requires a new certificate of need (CON) for Residential Hospice and/or Hospice services. These standards and criteria are effective immediately as of May 23, 2013, the date of approval and adoption by the Governor of the State Health Plan changes for 2013. Applications to provide Residential Hospice and/or Hospice services that were deemed complete by HSDA prior to this date shall be considered under the Guidelines for Growth, 2000 Edition.

STANDARDS AND CRITERIA APPLICABLE TO BOTH RESIDENTIAL AND HOSPICE SERVICES APPLICATIONS

1. **Adequate Staffing:** An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area. In this regard, an applicant should demonstrate its willingness to comply with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization.

The applicant currently operates in the counties adjacent to the proposed service area and has administrative services, staffing and a office in Lawrenceburg and may establish a new branch office in Perry or Hickman County.

The applicant's current staffing model is 1.0 FTE registered nurse per 14 patients. The applicant projects 19 patients in year one, resulting in an average daily census of 3.5 patients. This results in the need for 0.30 FTE registered nurses to treat these patients. The applicant also is planning on staffing 0.30 FTE home health aides and 0.25 FTE social workers to provide services to residents of the proposed service area.

The applicant currently complies with the staffing guidelines of the National Palliative Care Organization and will continue to do so.

2. Community Linkage Plan: The applicant shall provide a community linkage plan that demonstrates factors such as, but not limited to, relationships with appropriate health care system providers/services, and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians in support of an application shall detail specific instances of unmet need for hospice services.

The applicant has or plans to have contractual and/or working relationships with Lincoln Medical Center, Lincoln Medical Center Home Health, Elk Valley Home Health, Lincoln Donelson Care Center, Fayetteville Care and Rehabilitation Center, United Healthcare, AmeriGroup, BlueCross BlueShield, United Healthcare, Aetna, Cigna, HealthSpring, and Huntsville Hospital.

The applicant plans on establishing working relationships with numerous providers in the proposed service area to secure the availability of services for the residents of the service area.

3. Proposed Charges: The applicant shall list its benefit level charges, which shall be reasonable in comparison with those of other similar facilities in the Service Area or in adjoining service areas.

The reported Medicare per diem rate for Hospice in 2012 according to the Joint Annual Report of Hospice: Routine Hospice Care-\$132, Continuous Hospice Care-\$768, General Inpatient-\$593, Respite-Inpatient-\$141.

4. Access: The applicant must demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 072011-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area.

The applicant will serve all residents of the service area equally. Additionally, the applicant will offer perinatal and pediatric hospice services, as well as palliative care hospice services.

5. Indigent Care. The applicant should include a plan for its care of indigent patients in the Service Area, including

a. Demonstrating a plan to work with community-based organizations in the Service Area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services.

b. Details about how the applicant plans to provide this outreach.

c. Details about how the applicant plans to fundraise in order to provide indigent and/or charity care

The applicant will work with community-based organizations to develop a support system to provide hospice services by giving presentations at senior centers, community church groups and health councils. Funding for the provision of indigent care is built into Hospice Compassus' budget. Also, Hospice Compassus has a not-for-profit affiliated entity from which it can receive funds if necessary and appropriate.

According to the Joint Annual Report of Hospices 2012 (Final) the applicant provided \$172,625 in charity care in 2012. The applicant will continue to provide charity care in the proposed service area.

6. Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system. Additionally, the applicant should provide documentation that it is, or intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., The Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for hospice services from the Centers for Medicare and Medicaid Services (CMS) or CMS licensing survey.

The applicant participates in the Deyta Family Satisfaction Survey Program, and issues quarterly Quality Initiative Updates to its Tennessee employees to make note of successful satisfaction results and clarify areas for continued improvement. They also collect data on 43 quality indicators as part of its Medicare quality management reporting to the National Quality Registry.

7. Data Requirements: Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The applicant agrees to provide all data as required by the Department of Health and/or the Health Services and Development Agency.

8. Education. The applicant should provide details of its plan in the Service Area to educate physicians, other health care providers, hospital discharge planners, public health nursing agencies, and others in the community about the need for timely referral of hospice patients.

Hospice Compassus will meet with local providers, including home health agencies, hospitals, and physician groups, to discuss benefits for the patient and the provider associated with hospice care.

NEED

HOSPICE SERVICES

DEFINITIONS

"Service Area" shall mean the county or contiguous counties represented on an application as the area in which an applicant intends to provide Hospice Services and/or in which the majority of its service recipients reside. Only counties with a Hospice Penetration Rate that is less than 80 percent of the Statewide Median Hospice Penetration Rate may be included in a proposed Service Area.

"Statewide Median Hospice Penetration Rate" shall mean the number equal to the Hospice Penetration Rate (as described below) for the median county in Tennessee.

NEED

Need Formula. The need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

$A / B = \text{Hospice Penetration Rate}$

Where:

A = the mean annual number of Hospice unduplicated patients served in a county for the preceding two calendar years as reported by the Tennessee Department of Health; and

B = the mean annual number of Deaths in a county for the preceding two calendar years as reported by the Tennessee Department of Health.

Note that the Tennessee Department of Health, Joint Annual Report of Hospice defines "unduplicated patients served" as "number of patients receiving services on day one of reporting period plus number of admissions during the reporting period."

Need shall be established in a county (thus, enabling an applicant to include it in the proposed Service Area) if its Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

The following formula to determine the demand for additional hospice service recipients shall be applied to each county, and the results should be aggregated for the proposed service area:

$(80\% \text{ of the Statewide Median Hospice Penetration Rate} - \text{County Hospice Penetration Rate}) \times B$

Projected Need/(Surplus) for Hospice Services

County	Hospice Patients Served 2010	Hospice Patients Served 2011	Mean	Total Deaths 2010	Total Deaths 2011	Mean	Hospice Penetration Rate	80%
Decatur	51	45	48	159	146	153	0.315	5
Hardin	73	96	85	291	311	329	0.281	20
Humphreys	42	62	52	189	224	207	0.252	20
Perry	22	21	22	78	95	87	0.249	9
Wayne	57	69	63	157	155	156	0.404	(9)
								45

Source: *Tennessee Mortality Data, 2010-2011* and the *Joint Annual Report of Hospices 2010-2011*

Need shall be established in a county (thus, enabling an applicant to include it in the proposed Service Area) if its Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

Eighty (80%) of the statewide median hospice penetration rate is 0.348. The above hospice formula shows a need of 5 in Decatur County, 20 in Hardin County, 20 in Humphreys, 9 in Perry, and a surplus of (9), in Wayne County.

The service area total need is calculated to be 45. The applicant does not meet the criterion for at least 120 additional hospice service recipients in the proposed Service Area.